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

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

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Town Health International Medical Group Limited **康健國際醫療集團有限公司**

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

- (1) RE-ELECTION OF RETIRING DIRECTORS;**
- (2) GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES;**
- (3) PROPOSED FINAL DIVIDEND;**
- (4) PROPOSED AMENDMENTS TO THE BYE-LAWS;**
- (5) PROPOSED APPOINTMENT OF THE NOMINATED DIRECTOR;**
- AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 3:00 p.m. on Tuesday, 28 June 2022 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong is set out on pages 102 to 107 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon by 3:00 p.m. on Sunday, 26 June 2022 or not less than 48 hours before the time appointed for holding the adjourned meeting to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish, and in such event the instrument appointing a proxy shall be deemed to be revoked.

Please see the section headed “PRECAUTIONARY MEASURES FOR THE AGM” in this circular for measures being taken to try to prevent and control the spread of the Coronavirus Disease (COVID-19) pandemic at the meeting.

2 June 2022

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing COVID-19 pandemic and requirements for prevention and control of its spread, the Company will implement the following preventive measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature screening/checks will be administered on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, exhibiting respiratory infection symptoms, or is apparently unwell, may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All Shareholders, proxies and other attendees are required to scan the “LeaveHomeSafe” venue QR code.
- (iii) All Shareholders, proxies and other attendees are required to comply with the requirements of the “Vaccine Pass Direction” (as defined under the Prevention and Control of Disease (Vaccine Pass) Regulation (Cap. 599L of the Laws of Hong Kong)).
- (iv) All Shareholders, proxies and other attendees are required to complete and submit a health and travel declaration form prescribed by the Company and comply with the entry requirements of the AGM venue prior to entry into the AGM venue. Those (a) who have been in close contact during the 21 days prior to the AGM with anyone known or suspected to have become infected with COVID-19, or (b) who themselves, or have been in close contact with persons who, have returned to Hong Kong during the 21 days prior to the AGM, or (c) who are themselves, or are residing with anyone who is, subject to compulsory quarantine, will be barred from the AGM venue. Any person who does not comply with these requirements may be denied entry into the AGM venue or be required to leave the AGM venue.
- (v) Attendees must wear a surgical face mask at all times (including queuing for registration outside the AGM venue and throughout the AGM) and must follow the seating arrangement fixed by the Company.
- (vi) All Shareholders, proxies and other attendees are required to comply with the requirements of the venue where the AGM will be held.
- (vii) No refreshments will be served, and there will be no corporate gifts.

PRECAUTIONARY MEASURES FOR THE AGM

Attendees are in addition requested to observe and practise proper personal hygiene at all times. To the extent permitted under the applicable laws, the Company reserves the right to deny entry into the AGM venue or require any person to leave the venue so as to ensure the health and safety of the AGM attendees.

In the interest of all stakeholders' health and safety and consistent with the latest COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

In view of the evolving COVID-19 pandemic situation in Hong Kong, the Company may implement further procedures and precautionary measures and change the arrangements of the AGM at short notice. Shareholders should visit the Company's website at www.townhealth.com for future announcements and updates on the arrangements of the AGM.

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DEFINITIONS

In this circular, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company convened to be held at 3:00 p.m. on Tuesday, 28 June 2022 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong, the notice of which is set out on pages 102 to 107 of this circular, or any adjournment thereof
“Audit Committee”	the audit committee of the Board
“Auditor”	the auditor of the Company
“Board”	the board of Directors
“Broad Idea”	Broad Idea International Limited
“Bye-laws”	the bye-laws of the Company
“China Life Insurance”	中國人壽保險(集團)公司 (in English, for identification purpose only, China Life Insurance (Group) Company)
“Classictime”	Classictime Investments Limited, a Shareholder as at the date of the Requisition Notice
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Town Health International Medical Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose Shares are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	the general mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate as set out in the resolution numbered 8 in the notice convening the AGM

DEFINITIONS

“Final Dividend”	the proposed final dividend of HK0.15 cent per Share for the year ended 31 December 2021
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 6 in the notice convening the AGM
“Latest Practicable Date”	30 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ng” or “Nominated Director”	Mr. Ng Ting Chi (吳廷智)
“New Bye-laws”	the amended and restated bye-laws of the Company incorporating and consolidating all the Proposed Amendments, proposed to be adopted under resolution numbered 10 in the notice convening the AGM
“Nomination Committee”	the nomination committee of the Board
“Nomination Policy”	the nomination policy of the Company
“Proposed Amendments”	the proposed amendments to the Bye-laws as set out in Appendix III to this circular
“Proposed Appointment”	the proposed appointment of Mr. Ng as a Director

DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares which shall not exceed 10% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 7 in the notice convening the AGM
“Requisition Notice”	the requisition notice dated 29 April 2022 issued by Classictime, requesting, pursuant to section 79 of the Companies Act, the Company to give the Shareholders entitled to receive notice of the AGM, (a) notice of the ordinary resolution that Mr. Ng to be appointed as a Director with effect from conclusion of the AGM, which is set out in resolution numbered 9 in the notice convening the AGM; and (b) the statement referred to in the schedule to such requisition notice, which is reproduced in Appendix IV to this circular
“Retiring Directors”	the Directors retiring at the AGM and, being eligible, offering themselves for re-election at the AGM in accordance with the Bye-laws
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

References to time and dates in this circular are to Hong Kong time and dates.

LETTER FROM THE BOARD



Town Health International Medical Group Limited 康健國際醫療集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

Executive Directors:

Mr. Jin Zhaoen (*Chief Executive Officer*)
Ms. Zhao Xiangke (*Chief Financial Officer*)

Non-executive Directors:

Mr. Kong Dechang (*Chairman*)
Mr. Hou Jun

Independent non-executive Directors:

Mr. Ho Kwok Wah, George, *MH*
Mr. Yu Xuezhong
Dr. Xu Weiguo

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

*Head office and principal place
of business in Hong Kong:*

6th Floor
Town Health Technology Centre
10-12 Yuen Shun Circuit
Siu Lek Yuen
Shatin, New Territories
Hong Kong

2 June 2022

To the Shareholders

Dear Sir or Madam,

- (1) RE-ELECTION OF RETIRING DIRECTORS;
(2) GRANT OF GENERAL MANDATES TO ISSUE SHARES AND TO
REPURCHASE SHARES;
(3) PROPOSED FINAL DIVIDEND;
(4) PROPOSED AMENDMENTS TO THE BYE-LAWS;
AND
(5) PROPOSED APPOINTMENT OF THE NOMINATED DIRECTOR**

INTRODUCTION

The Company will propose resolutions at the AGM to, among other matters, re-elect the Retiring Directors, grant to the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate upon the expiry of the current general mandates to issue Shares and to repurchase Shares granted to the Directors at the annual general meeting of the Company held on 28 June 2021, declare the Final Dividend, amend the Bye-laws, and appoint the Nominated Director.

LETTER FROM THE BOARD

On or about 3 May 2022, the Company received the Requisition Notice from Classictime requesting for an ordinary resolution in relation to the Proposed Appointment to be moved at the AGM.

The purpose of this circular is to provide you with further information on the resolutions to be proposed at the AGM and to give you notice of the AGM at which the resolutions will be proposed to consider and, if thought fit, approve such matters.

RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Bye-law 99 of the Bye-laws and pursuant to code provision B.2.2 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Hou Jun, Mr. Ho Kwok Wah, George, *MH* and Mr. Yu Xuezhong will retire by rotation at the AGM. Mr. Hou Jun, Mr. Ho Kwok Wah, George, *MH* and Mr. Yu Xuezhong, being eligible, will offer themselves for re-election at the AGM.

Pursuant to code provision B.2.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, any further appointment of an independent non-executive Director serving more than 9 years should be subject to a separate resolution to be approved by the Shareholders. Mr. Ho Kwok Wah, George, *MH* is an independent non-executive Director serving on the Board for more than 9 years and should be subject to a separate resolution to be approved by the Shareholders.

Information on the Retiring Directors as required to be disclosed by the Listing Rules is set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 28 June 2021, ordinary resolutions were passed to grant the general mandates to the Directors (i) to allot, issue or otherwise deal with new Shares not exceeding 20% of the number of issued Shares as at 28 June 2021 and the number (up to a maximum of 10% of the number of issued Shares as at 28 June 2021) of any Shares repurchased by the Company; and (ii) to repurchase Shares not exceeding 10% of the number of issued Shares as at 28 June 2021.

The general mandates will expire at the conclusion of the AGM. Resolutions will be proposed at the AGM to grant the Issue Mandate, the Repurchase Mandate and the Extension Mandate to the Directors.

An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED FINAL DIVIDEND

Subject to the Shareholders' approval at the AGM, the Board has recommended the payment of the Final Dividend to the Shareholders and it is expected that the Final Dividend will be paid on or around Monday, 15 August 2022 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 12 July 2022. For the purpose of determining the entitlement to the Final Dividend, the register of members of the Company will be closed from Thursday, 7 July 2022 to Tuesday, 12 July 2022, both dates inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement of the Shareholders to the Final Dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Wednesday, 6 July 2022.

PROPOSED AMENDMENTS TO THE BYE-LAWS

Reference is made to the announcement of the Company dated 30 May 2022, pursuant to which the Board proposed to seek the approval from the Shareholders at the AGM for the Proposed Amendments in order to (i) bring the Bye-laws in line with the latest legal and regulatory requirements, including the amendments made to Appendix 3 to the Listing Rules which took effect on 1 January 2022; (ii) allow electronic and hybrid general meetings of the Company to be convened; and (iii) make other consequential and house-keeping amendments.

Major changes brought about by the Proposed Amendments are set out below:

1. to insert the definitions of "announcement", "close associate", "Designated Stock Exchange", "electronic communication", "electronic means", "electronic meeting", "extraordinary resolution", "Hong Kong", "hybrid meeting", "Meeting Location", "Notice", "physical meeting" and "Principal Meeting Place", and to delete the definitions of "associate(s)", "the Chairman", "corporate representative" and "electronic", so as to align the relevant provisions in the New Bye-laws with the applicable laws of Bermuda and the Listing Rules, and to make corresponding changes to the relevant provisions in the Bye-laws;
2. to provide that the principal register and branch register of Shareholders shall be open to inspection;
3. 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 unless a longer period would not infringe the Listing Rules, if any;
4. to allow all general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) of the Company to be held as a physical meeting in any part of the world and at one or more locations, or as a hybrid meeting or an electronic meeting, as may be determined by the Board in its absolute discretion;

LETTER FROM THE BOARD

5. to clarify that Shareholders holding 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 have the right, by written requisition, to require a physical special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition;
6. to provide that an annual general meeting of the Company shall be called by notice of not less than 21 clear days, while all other general meetings of the Company shall be called by notice of not less than 14 clear days but if permitted by the Listing Rules, a general meeting may be called by shorter notice if it is so agreed under the circumstances set out in the New Bye-laws;
7. to provide that all Shareholders have the right to (a) speak at a general meeting of the Company; and (b) vote at a general meeting of the Company except where a Shareholder is required, by the Listing Rules, the applicable laws, rules, codes or regulations of any competent regulatory authority, to abstain from voting to approve the matter under consideration;
8. to provide for the procedures to conduct general meetings of the Company which may be held at one or more locations, or as a hybrid meeting or an electronic meeting, and the powers of the Board and the chairman of the meeting in relation thereto;
9. to clarify that where any Shareholder is, under the Listing Rules, the applicable laws, rules, codes or regulations of any competent regulatory authority, required to abstain from voting on any resolution of the Company or restricted to voting only for or only against any resolution of the Company, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted;
10. to provide that any Director appointed by the Board to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election;
11. to clarify that the Shareholders shall approve (a) the appointment of the Auditor by an ordinary resolution; and (b) the removal of the Auditor at any time before the expiration of his term of office by an extraordinary resolution;
12. to clarify that the remuneration of the Auditor shall be fixed by an ordinary resolution; and
13. to update and tidy up definitions and other references, and to make consequential amendments in line with the above amendments to the Bye-laws and other house-keeping amendments.

Details of the Proposed Amendments are set out in Appendix III to this circular. In view of the number of proposed changes, the Board proposes to seek approval of the Shareholders by special resolution at the AGM to amend the Bye-laws by way of adoption of the New Bye-laws.

LETTER FROM THE BOARD

The New Bye-laws which are subject to the approval of the Shareholders by way of a special resolution at the AGM will become effective upon such approval has been obtained.

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

PROPOSED APPOINTMENT OF THE NOMINATED DIRECTOR

On or about 3 May 2022, the Company received the Requisition Notice from Classictime requesting for an ordinary resolution in relation to the Proposed Appointment to be moved at the AGM.

It was stated in the Requisition Notice that as at the date of the Requisition Notice, Classictime held 674,762,000 issued Shares. Based on the register of members of the Company as at 29 April 2022, Classictime was the registered Shareholder of 758,862,000 Shares, representing approximately 10.08% of the total number of issued Shares as at the date of the Requisition Notice.

Pursuant to section 79 of the Companies Act, the Shareholders holding not less than one-twentieth of the total voting rights of those Shareholders having the right to vote at such meeting or not less than one hundred Shareholders, at the expenses of the Shareholders concerned, can submit a written requisition to move a resolution at a general meeting.

As set out in the Requisition Notice, Classictime as a Shareholder is concerned about the business development and the effectiveness usage regarding the internal resources of the Company. Given its significant equity stakes in the Company, it feels obliged to nominate an experienced person, namely Mr. Ng, to be a Director for the purpose of enhancing the corporate governance and enriching the management profile and experience of the Company in the benefit of the Company and the Shareholders as a whole.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting. Details of Mr. Ng, which have been reproduced from and are solely based upon the information provided by Classictime in the Requisition Notice, are set out in Appendix IV to this circular.

LETTER FROM THE BOARD

Shareholders should note that the details of Mr. Ng as set out in Appendix IV to this circular have been reproduced from and are solely based upon the information provided by Classicime in the Requisition Notice. The Board has not verified the particulars of Mr. Ng stated in Appendix IV to this circular. Accordingly, no recommendation has been made by the Board or the Nomination Committee with regard to the Proposed Appointment. Further, the Board is not in a position to comment on whether there is any matter regarding the Proposed Appointment that needs to be brought to the attention of the Shareholders pursuant to Rule 13.51(2) of the Listing Rules in relation to Mr. Ng.

The Board, having considered the Requisition Notice and the Companies Act, has resolved to include the ordinary resolution in relation to the Proposed Appointment in the notice convening the AGM in response to the Requisition Notice.

The Proposed Appointment is subject to the approval of the Shareholders by way of an ordinary resolution at the AGM.

AGM

Notice convening the AGM is set out on pages 102 to 107 of this circular. At the AGM, resolutions will be proposed to, among other matters, consider and, if thought fit, to re-elect the Retiring Directors, to approve the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, to declare the Final Dividend, to approve the Proposed Amendments and to approve the Proposed Appointment. As required under the Listing Rules, all resolutions put to vote at the AGM will be decided by way of poll.

To ascertain the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 23 June 2022 to Tuesday, 28 June 2022, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. on Wednesday, 22 June 2022.

Form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon by 3:00 p.m. on Sunday, 26 June 2022 or not less than 48 hours before the time appointed for holding the adjourned meeting to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish, and in such case the form of proxy previously submitted shall be deemed to be revoked.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the re-election of the Retiring Directors, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the proposed Final Dividend and the Proposed Amendments are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote for all the resolutions to be proposed at the AGM (other than the resolution in relation to the Proposed Appointment as mentioned above).

By order of the Board

Town Health International Medical Group Limited

Jin Zhaogen

Executive Director and Chief Executive Officer

APPENDIX I INFORMATION ON THE RETIRING DIRECTORS

The following is the information required to be disclosed by the Listing Rules on the Retiring Directors proposed to be re-elected at the AGM:

(A) MR. HOU JUN (“MR. HOU”)

Mr. Hou, aged 44, has been appointed as a non-executive Director since 25 May 2020. Mr. Hou is currently the deputy general manager of the investment management department of China Life Insurance. He had worked in various departments of China Life Insurance including finance department, asset management department and investment management department from 2004 to 2016 and had been the assistant to the general manager of the investment management department of China Life Insurance from 2016 to 2020. Mr. Hou obtained a bachelor’s degree in Economics (majoring in Investment Economics) from Shanxi University of Finance and Economics in July 2000, and a master’s degree in Economics (majoring in Finance) from Central University of Finance and Economics in June 2004. Mr. Hou is also a non-executive director of Sino-Ocean Group Holding Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 3377).

Save as disclosed above, as at the Latest Practicable Date, Mr. Hou did not hold any other major appointment and professional qualification, or directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Hou (i) did not hold any other positions with the Company or other members of the Group; (ii) did not have any relationship with any Directors, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

Mr. Hou has entered into a letter of re-appointment with the Company as a non-executive Director for a term commenced from 1 January 2022 to 31 December 2024, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Mr. Hou is not entitled to any remuneration from the Company in his capacity as a non-executive Director.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Hou as a non-executive Director that need to be brought to the attention of the Shareholders.

APPENDIX I INFORMATION ON THE RETIRING DIRECTORS

(B) MR. HO KWOK WAH, GEORGE, *MH* (“MR. HO”)

Mr. Ho, aged 64, has been appointed as an independent non-executive Director since September 2004. Mr. Ho is also the chairman of each of the Audit Committee and the Remuneration Committee and a member of the Nomination Committee. Mr. Ho is a Practising Certified Public Accountant in Hong Kong. He is a director of Yong Zheng CPA Limited, Certified Public Accountants and has extensive experience in accounting, auditing, tax planning and business advisory. Mr. Ho is a director of Hong Kong Shatin Industries and Commerce Association Limited and Hong Kong Commerce and Industry Associations Limited. He is also an independent non-executive director of Rykadan Capital Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 2288) and PuraPharm Corporation Limited, whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1498).

Save as disclosed above, as at the Latest Practicable Date, Mr. Ho (i) did not hold any other major appointment and professional qualification, or directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) did not hold any position with the Company or other members of the Group.

As at the Latest Practicable Date, Mr. Ho (i) did not have any relationship with any Directors, senior management, substantial or controlling shareholders (having the meanings ascribed to them in the Listing Rules) of the Company; and (ii) was not interested in any Shares within the meaning of Part XV of the SFO.

The recommendation of Mr. Ho to the Board was made by the Nomination Committee after considering various factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service in accordance with the Nomination Policy and the board diversity policy of the Company. The Board has taken into account of the gender, age, cultural and educational background, and professional experience of Mr. Ho, which can bring further contribution to the Board and its diversity. The Board, taking into account of the professional experience in accounting, auditing, tax planning and business advisory of Mr. Ho, which can bring objective and independent judgement to the Board and contribute to the diversity of the Board, is satisfied that Mr. Ho has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board believes that the re-election of Mr. Ho as an independent non-executive Director would be in the interests of the Company and the Shareholders as a whole. As at the Latest Practicable Date, Mr. Ho has served as an independent non-executive Director for more than nine years since September 2004. The Nomination Committee has assessed Mr. Ho's independence and reviewed Mr. Ho's annual written confirmation of independence and considers that he has satisfied all the independence criteria as set out in Rule 3.13 of the Listing Rules. The Nomination Committee, taking into account of Mr. Ho's characters, integrity, expertise and cumulated experience with the Company, is also of the view that (i) Mr. Ho was not involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with his exercise of independent judgement during his tenure; (ii) there is no evidence that his tenure of over nine years has compromised or would compromise his continued independence; and (iii) Mr. Ho would be able to continue to bring in fresh perspectives, objective insights and independent judgment to the Board and independent and external dimension as well as constructive and informed comments on issues of the Company's sustainability strategy and policy, performance, accountability, resources and key appointments. The Board, having considered the recommendation of the Nomination Committee, is of the view that Mr. Ho continues to be independent and should be re-elected despite his length of service.

APPENDIX I INFORMATION ON THE RETIRING DIRECTORS

Mr. Ho has entered into a letter of re-appointment with the Company as an independent non-executive Director for a term commenced from 1 January 2022 to 31 December 2024, and he will be subject to retirement by rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Mr. Ho is entitled to an emolument of HK\$16,000 per month which was determined by the Board with reference to his duties and responsibilities with the Company.

Mr. Ho was a director of Fast Step Development Limited (迅添發展有限公司) (“**Fast Step**”), a private company incorporated in Hong Kong and dissolved by deregistration on 12 March 2010 under section 291AA of the then prevailing Companies Ordinance (Chapter 32 of the Laws of Hong Kong). Fast Step was inactive before deregistration.

Mr. Ho was also a director of BGS Business Consultancy Limited (駿偉資訊顧問有限公司) (“**BGS**”), a private company incorporated in Hong Kong and dissolved by deregistration on 13 September 2019 under section 751 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). BGS was inactive before deregistration.

As confirmed by Mr. Ho, the abovementioned dissolved companies were solvent prior to their dissolutions.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Ho as an independent non-executive Director that need to be brought to the attention of the Shareholders.

APPENDIX I INFORMATION ON THE RETIRING DIRECTORS

(C) MR. YU XUEZHONG (“MR. YU”)

Mr. Yu, aged 64, has been appointed as an independent non-executive Director since June 2015. Mr. Yu is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. Mr. Yu has profound knowledge and extensive experience in teaching, scientific research and clinical experience in emergency medicine. Mr. Yu is currently an assistant to the medical superintendent, a professor in emergency medicine and a supervisor of the emergency medicine division of Peking Union Medical College Hospital (北京協和醫院). He is also the chairman of 中國醫師協會急診醫學分會 (in English, for identification purpose only, The Society of Emergency Medicine of Chinese Medical Doctor Association) and the chairman of 中華醫學會急診醫學分會 (in English, for identification purpose only, The Society of Emergency Medicine of Chinese Medical Association). Mr. Yu graduated from The Fourth Military Medical University (第四軍醫大學) in 1984. He obtained a master degree in medicine from 中國協和醫科大學 (in English, for identification purpose only, China Union Medical University) (now known as Peking Union Medical College (北京協和醫學院)) in 1991.

Save as disclosed above, as at the Latest Practicable Date, Mr. Yu (i) did not hold any other positions with the Company or other members of the Group, and (ii) did not hold any other major appointment and professional qualification.

As at the Latest Practicable Date, Mr. Yu (i) did not hold any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) did not have any relationship with any Director, senior management, substantial or controlling Shareholders (having the meanings ascribed to them in the Listing Rules); and (iii) was not interested in any Shares within the meaning of Part XV of the SFO.

APPENDIX I INFORMATION ON THE RETIRING DIRECTORS

The recommendation of Mr. Yu to the Board was made by the Nomination Committee after considering various factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service in accordance with the Nomination Policy and the board diversity policy of the Company. The Board has taken into account of the gender, age, cultural and educational background, and professional experience of Mr. Yu, which can bring further contribution to the Board and its diversity. The Board, taking into account of the extensive experience in teaching, scientific research and clinical experience in emergency medicine of Mr. Yu, which can bring objective and independent judgement to the Board and contribute to the diversity of the Board, is satisfied that Mr. Yu has the required character, integrity, perspectives, skills and experience to continuously fulfill his role as an independent non-executive Director effectively. The Board considers that the re-election of Mr. Yu as an independent non-executive Director would be in the interests of the Company and the Shareholders as a whole. The Board has reviewed Mr. Yu's written confirmation of independence and was satisfied with the independence of Mr. Yu having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules.

Mr. Yu has entered into a letter of re-appointment with the Company as an independent non-executive Director for a term commenced from 1 January 2022 to 31 December 2024, and he will be subject to rotation and re-election at general meeting of the Company in accordance with the Bye-laws. Mr. Yu is entitled to an emolument of HK\$16,000 per month which was determined by the Board with reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters relating to the re-election of Mr. Yu as an independent non-executive Director that need to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders for their consideration of the Repurchase Mandate proposed to be approved at the AGM.

At the AGM, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all the powers of the Company to repurchase issued and fully paid Shares in the capital of the Company. Under such mandate, the number of Shares that the Company may repurchase will not exceed 10% of the number of issued Shares as at the date of passing the resolution granting the Repurchase Mandate. The Company's authority is restricted to repurchases made on the Stock Exchange.

(I) SHARE CAPITAL

As at the Latest Practicable Date, the total Shares in issue comprised 7,526,134,452 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, could accordingly result in up to 752,613,445 Shares, representing 10% of the number of issued Shares, being repurchased by the Company.

(II) REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. Repurchases of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

(III) FUNDING OF REPURCHASES

The Company is empowered by the memorandum of continuance of the Company and the Bye-laws to repurchase the Shares. Repurchases will be funded entirely from the funds legally available for that purpose. The laws of Bermuda provide that the repurchase of Shares may only be effected out of the capital paid up on the repurchased Shares, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a new issue of Shares made for the purpose. Any amount of premium payable on the repurchase over the par value of the Shares to be repurchased must be out of either funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account. Such repurchase may not be made if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the Company is, or after the repurchase would be, unable to pay its liabilities as they become due.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

The Directors do not propose to exercise the Repurchase Mandate to such an extent as it would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. There might be an adverse impact on the working capital or gearing position of the Company as compared with the position as at 31 December 2021, the date to which the latest audited consolidated financial statements of the Group were made up, in the event that the Repurchase Mandate is exercised in full.

(IV) SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

		Per Share	
		Highest	Lowest
		HK\$	HK\$
2021	May	0.370	0.305
	June	0.500	0.255
	July	0.740	0.450
	August	0.710	0.520
	September	0.630	0.550
	October	0.650	0.540
	November	0.550	0.440
	December	0.475	0.400
2022	January	0.440	0.350
	February	0.460	0.360
	March	0.420	0.320
	April	0.610	0.350
	May (up to the Latest Practicable Date)	0.485	0.415

(V) UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Bermuda, the memorandum of continuance of the Company and the Bye-laws.

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

(VI) DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries pursuant to any exercise of the Repurchase Mandate.

No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Company is authorised to make repurchases of Shares pursuant to any exercise of the Repurchase Mandate.

(VII) IMPLICATIONS UNDER THE TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert 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.

Should the Directors exercise the proposed Repurchase Mandate in full, to the best of the knowledge and belief of the Directors, on the basis that each of (i) the shareholding of Broad Idea, a substantial Shareholder holding 1,418,576,764 Shares, representing approximately 18.85% of the total number of Shares in issue as at the Latest Practicable Date; and (ii) the shareholding of China Life Insurance, a substantial Shareholder holding 1,785,098,644 Shares, representing approximately 23.72% of the total number of Shares in issue as at the Latest Practicable Date, remain the same and there is no change in the total number of Shares in issue, the shareholding of Broad Idea would be increased to approximately 20.94% of the reduced total number of Shares in issue and the shareholding of China Life Insurance would be increased to approximately 26.35% of the reduced total number of Shares in issue. Such increases would not give rise to an obligation of any such Shareholder to make a mandatory offer under Rule 26 of the Takeovers Code.

To the best of the Directors' knowledge and belief, and having made all reasonable enquiries, they are not aware of any consequences which will give rise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

The Directors have no present intention to exercise the power to repurchase Shares to the extent that the resultant total number of Shares in issue in public hands would be reduced to below 25%.

(VIII) SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, no repurchase of Shares has been made by the Company.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

This appendix sets out the Proposed Amendments, as marked up for ease of reference, to the Bye-laws, as follows:

AMENDED AND RESTATEDNEW BYE-LAWS
~~(As adopted by a Special Resolution passed on 20 April 2009)~~

OF

TOWN HEALTH INTERNATIONAL MEDICAL GROUP LIMITED

(Adopted by a special resolution passed at an Annual General Meeting held on [•]
2022~~Formerly known as Town Health International Investments Limited~~)

PRELIMINARY

1. (A) The marginal notes to these Bye-Laws shall not be deemed to be part of these Bye-Laws and shall not affect their interpretation and, in the interpretation of these Bye-Laws, unless there be something in the subject or context inconsistent therewith:

“address” shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-Laws;

“announcement” shall mean 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;

“appointed newspaper” shall have the meaning as defined in the Companies Act;

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

“Auditors” shall mean the persons for the time being performing the duties of that office;

“Bermuda” shall mean the Islands of Bermuda;

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

“the Board” shall mean the board of ~~directors of the Company~~ Directors as constituted from time to time or (as the context may require) the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

“these Bye-Laws” or “these presents” shall mean these Bye-Laws in their present form and all supplementary, amended or substituted Bye-Laws for the time being in force;

“call” shall include any instalment of a call;

“capital” shall mean the share capital from time to time of the Company;

“~~the Chairman~~” shall mean ~~the Chairman presiding at any meeting of shareholders or of the Board;~~

“Clearing House” shall mean a ~~recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction~~ the Designated Stock Exchange;

“close associate” 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 the purposes of Bye-Law 98(G) 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;

“the Companies Act” shall mean the Companies Act 1981 of Bermuda as may from time to time be amended;

the Company” or “this Company” shall mean Town Health International Medical Group Investments Limited incorporated in the Cayman Islands on ~~the 24th~~ August 1999 and continued in Bermuda on 5 May 2009;

“~~corporate representative~~” means any person appointed to act in that capacity pursuant to ~~Bye-laws 87(A) or 87(B);~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“Designated Stock Exchange” shall mean a stock exchange which is an appointed stock exchange for the purposes of the Companies Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;

“Director” means a director of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

~~“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time;~~

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

“electronic means” shall include sending or otherwise making available to the intended recipients of the communication an electronic communication;

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

“extraordinary resolution” shall mean a resolution passed by a majority of not less than two-thirds of votes cast by such shareholders as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given;

“full financial statements” shall mean the financial statements that are required under section 87(1) of the Companies Act as may be amended from time to time;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

“HK\$” shall mean Hong Kong dollars or other lawful currency of Hong Kong;

“holding company” and “subsidiary” shall have the meanings ascribed to them by the Companies Act;

“Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;

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

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);

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

“month” shall mean a calendar month;

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

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

“paid up” in relation to a share, shall mean paid up or credited as paid up;

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

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

“the Principal Register” shall mean the register of shareholders of the Company maintained in Bermuda;

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

“the register” shall mean the Principal Register and any branch register to be kept pursuant to the provisions of the Statutes;

“Registered Office” shall mean the registered office of the Company for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a Designated Stock Exchange~~stock exchange in such territory~~;

“Seal” shall mean any one or more common seals from time to time of the Company for use in Bermuda or in any place outside Bermuda;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office;

“Securities Seal” shall mean a seal for use for sealing certificates for shares or other securities issued by the Company which is a facsimile of the Seal of the Company with the addition on its face of the words “Securities Seal”;

“share” shall mean share in the capital of the Company;

“shareholder” shall mean the duly registered holder from time to time of the shares in the capital of the Company;

“Statutes” shall mean the Companies Act, ~~the Electronic Transactions Act 1999 of Bermuda~~, and every other act (as amended from time to time) for the time being in force of the Legislature of Bermuda applying to or affecting the Company, the Memorandum of Continuance of the Company Association and/or these presents;

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

“summarized financial statements” shall have the meaning ascribed to them in ~~the~~ section 87A(3) of the Companies Act as may be amended from time to time;

“Transfer Office” shall mean the place where the Principal Register is situate for the time being; and

“writing” or “printing” 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 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 shareholder’s election comply with all applicable Statutes, rules and regulations~~include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form.~~

- (B) In these Bye-Laws, unless there be something in the subject or context inconsistent herewith:

words denoting the singular shall include the plural and words denoting the plural shall include the singular;

words importing any gender shall include every gender and words importing persons shall include partnerships, firms, companies and corporations;

subject as aforesaid, any words or expressions defined in the Companies Act (except any statutory modification thereof not in force when these Bye-Laws become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Bye-Laws, save that “company” shall where the context permits include any company incorporated in Bermuda or elsewhere; ~~and~~

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

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;

references to a meeting shall mean a meeting convened and held in any manner permitted by these Bye-Laws and any shareholder or Director attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Bye-Laws, and attend, participate, attending, participating, attendance and participation shall be construed accordingly;

references to a person's participation in the business of a general meeting include without limitation and as relevant the right to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes and all other applicable laws, rules and regulations or these Bye-Laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;

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

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (C) A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such shareholders as, being entitled so to do, vote in person or, ~~by duly authorised corporate representative or~~, where proxies are allowed, by proxy at a general meeting of which ~~not less than 21 days' notice~~Notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given. ~~Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than 21 days' notice has been given.~~
- (D) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such shareholders as, being entitled so to do, vote in person or ~~by duly authorised corporate representative or~~, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which ~~not less than 14 days' notice~~Notice has been duly given. ~~Provided that, if it is so agreed by a majority in number of the shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as an Ordinary Resolution at a meeting of which less than 14 days' notice has been given.~~
- (E) A Special 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.
2. Without prejudice to any other requirements of the Statutes, a Special Resolution shall be required to alter the Memorandum of Continuance of the Company~~Association~~, to approve any amendment of these presents or to change the name of the Company.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

SHARES, WARRANTS AND MODIFICATION OF RIGHTS

3. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share may, subject to the Companies Act and with the sanction of ~~a Special~~ an Ordinary Resolution, be issued on the terms that it is liable to be redeemed upon the happening of a specified event or upon a given date and either at the option of the Company or, if so authorised by the Memorandum of Continuance~~Association~~ of the Company, at the option of the holder.
4. The Board may, ~~subject to the approval by the shareholders in general meeting,~~ 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 share capital of the Company on such terms as the Board may from time to time determine. ~~Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.~~
5. (A) For the purposes of Section 47 of the Companies Act, if at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated either with the consent in writing of the holders of 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 the provisions of these Bye-Laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting or a postponed meeting) shall be two persons 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 or postponed meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and every holder of shares of the class shall be entitled to one vote for every such share held by him~~shall be not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of that class, and that any holder of shares of the class present in person or by proxy or by a duly authorised corporate representative may demand a poll.~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (B) The provisions of this Bye-Law shall apply to the variation or abrogation of the special rights attached to the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied or abrogated.
- (C) 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 the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith.

SHARES AND INCREASE OF CAPITAL

- 6. (A) The authorised share capital of the Company as at the date on which these Bye-Laws come into effect is HK\$~~300~~303,000~~750,000~~ divided into ~~30,000~~375,000 shares of HK\$0.01 each.
- (B) Subject to the Statutes, the power contained in the Memorandum of Continuance of the Company Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (C) Subject to compliance with the Listing Rules and the rules and regulations of any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company. ~~Subject, where applicable, to the rules of any relevant stock exchange, the Company may in accordance with an employees' share scheme approved by the shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company. For the purposes of this Bye-Law, an employees' share scheme is a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of bona fide employees or former employees (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) of the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company, or the wives, husbands, widows, widowers or children or step-children under the age of twenty-one of such employees or former employees.~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (D) ~~Subject, where applicable, to the rules of any relevant stock exchange, the Company, a subsidiary of the Company or holding company or a subsidiary of the Company's holding company may make loans to persons (including, notwithstanding Section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) employed in good faith by the Company with a view to enabling those persons to acquire fully or partly paid shares in the Company or its holding company to be held by them by way of beneficial ownership.~~
- (E) ~~The conditions subject to which money and loans are provided under paragraphs (C) and (D) of this Bye-Law may include a provision to the effect that when an employee ceases to be employed by the Company, the shares acquired with such financial assistance shall or may be sold to the Company on such terms as the Board thinks fit.~~
7. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by Ordinary Resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such class or classes and of such amounts in Hong Kong dollars or United States dollars or such other currency as the shareholders may think fit and as the resolution may prescribe.
8. Any new shares shall be issued upon such terms and conditions and with such rights, privileges or restrictions annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Statutes and of these Bye-Laws, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special right or without any right of voting.
9. ~~[Reserved] The Company may by Ordinary Resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.~~
10. 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.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

11. All unissued shares shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount to their nominal value. The Directors shall, as regards any offer or allotment of shares, comply with the provisions of the Companies Act, if and so far as such provisions may be applicable thereto. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable; or that based on legal opinions provided by legal advisers, the Board considers it necessary or expedient not to offer the shares to such shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.
12. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Act shall be observed and complied with, and in each case the commission shall not exceed ten (10) per cent. of the price at which the shares are issued.
13. Except as otherwise expressly provided by these Bye-Laws or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any shares except an absolute right to the entirety thereof of the registered holder.

REGISTER OF SHAREHOLDERS AND SHARE CERTIFICATES

14. (A) The Board shall cause to be kept a register of the shareholders and there shall be entered therein the particulars required under the Companies Act.

- (B) Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a local or branch register at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on ~~any stock exchange in the Relevant Territory~~the Designated Stock Exchange, the Company shall keep a branch register in the Relevant Territory. The Principal Register and branch register of shareholders, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Registered Office or such other place at which the Principal Register is kept in accordance with the Companies Act. The Principal Register including any overseas or local or other branch register of shareholders may, after Notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of the Listing Rules or by any means (electronic means or otherwise) in such manner as may be accepted by the Listing Rules to that effect, be closed for inspection at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.
15. Every person whose name is entered as a shareholder in the register shall be entitled without payment to receive within two (2) months after allotment or lodgement of a transfer (or within such other period as the conditions of issue shall provide or, such shorter period as ~~such stock exchange~~the Designated Stock Exchange may from time to time prescribe) one certificate for all his shares, or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming ~~a stock exchange~~the Designated Stock Exchange board lot for the purposes of the ~~stock exchange on which the shares are listed~~Designated Stock Exchange, upon payment, in the case of a transfer, of such sum (not exceeding in the case of any share capital listed on ~~a stock exchange in the Relevant Territory~~the Designated Stock Exchange, HK\$2.50 or such other greater sum as ~~such stock exchange~~the Designated Stock Exchange may from time to time permit, and in the case of any other shares, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such other sum as the Company may by Ordinary Resolution determine) for every certificate after the first as the Board may from time to time determine, such number of certificates for shares in ~~stock exchange~~the Designated Stock Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

16. Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the Seal of the Company, which for this purpose may be a Securities Seal.
17. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares.
18. (A) The Company shall not be bound to register more than four persons as joint holders of any share.

(B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of ~~notice~~Notice and, subject to the provisions of these Bye-Laws, all or any other matter connected with the Company, except the transfer of the shares.
19. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, (not exceeding, in the case of any share capital listed on ~~a stock exchange in the Relevant Territory~~the Designated Stock Exchange, HK\$2.50 or such ~~other~~ greater sum as ~~such stock exchange~~the Designated Stock Exchange may from time to time permit, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such sum as the Company may by Ordinary Resolution determine) as the Board shall from time to time determine and on such terms and conditions, if any, as to publication of ~~notices~~Notices, evidence and indemnity as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

LIEN

20. The Company shall have a first and paramount lien and charge on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a shareholder, whether singly or jointly with any other person or persons, for all the debts and liabilities of such shareholders or his estate to the Company and whether the same shall have been incurred before or after ~~notice~~Notice to the Company of any equitable or other interest of any person other than such shareholder, 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 shareholder or his estate and any other person, whether a shareholder of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Bye-Law.
21. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless 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) days after a ~~notice in writing~~Notice, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving ~~notice~~Notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled to the shares by reason of such holder's death, bankruptcy or winding-up.
22. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For the purpose of giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings ~~in~~ relating to the sale.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

CALLS ON SHARES

23. The Board may from time to time make such calls as it may think fit upon the shareholders in respect of any moneys unpaid on the shares held by them respectively (whether on account of the nominal value of shares or by way of premium) and not by the conditions of issue or allotment thereof made payable at a fixed time. A call may be made payable either in one sum or by instalments.
24. Fourteen (14) days' ~~notice~~Notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
25. A copy of the ~~notice~~Notice referred to in Bye-Law 24 shall be sent to shareholders in the manner in which ~~notices~~Notices may be sent to shareholders by the Company as herein provided.
26. In addition to the giving of ~~notice~~Notice in accordance with Bye-Law 25, ~~notice~~Notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the shareholders by ~~notice~~Notice to be published at least once in the Newspapers.
27. Every shareholder upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.
28. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
29. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.
30. The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as regards all or any of the shareholders whom due to residence outside the Relevant Territory or other cause the Board may deem entitled to any such extension but no shareholder shall be entitled to any such extension except as a matter of grace and favour.
31. If the sum payable in respect of any call or instalments is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty (20) per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

32. No shareholder shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another shareholder) at any general meeting, either personally, or (save as proxy for another shareholder) by proxy ~~or by a duly authorised corporate representative~~, or be reckoned in a quorum, or to exercise any other privilege as a shareholder until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
33. 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 shareholder 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 of the Board making the call has been duly recorded in the minute book of the Board; and that ~~notice~~Notice of such call was duly given to the shareholder sued, in pursuance of these Bye-Laws; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
34. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Bye-Laws be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Bye-Laws as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.
35. The Board may, if it thinks fit, receive from any shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty (20) per cent. per annum as the Board may decide but a payment in advance of a call shall not entitle the shareholder to receive any dividend subsequently declared or to exercise any other rights or privileges as a shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such shareholder before it is called up. The Board may at any time repay the amount so advanced upon giving to such shareholder not less than one (1) month's ~~notice in writing~~Notice of their intention in that behalf, unless before the expiration of such ~~notice~~Notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

TRANSFER OF SHARES

36. Subject to the Companies Act, all transfers of shares may be effected in any manner prescribed by and in accordance with the Listing Rules or by transfer in writing in the usual or common form or in such other form as the Board may accept and may be under hand or by means of mechanically imprinted signatures or such other manner as the Board may from time to time approve.
37. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its absolute discretion, to do so. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Without prejudice to Bye-Law 36, the Board may resolve, either generally or in a particular case, upon request by either the transferor or transferee which is a clearing house or its nominee(s), to accept machine imprinted signatures on the instrument of transfer. Nothing in these Bye-Laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
38. (A) The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the Principal Register to any branch register or any share on any branch register to the Principal Register or any other branch register.
- (B) 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 stipulate, and which agreement it shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold) no shares on the Principal Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Principal 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 Principal Register, at the Transfer Office. Unless the Board otherwise agrees, all transfers and other documents of title shall be lodged for registration with, and registered at, the relevant Registration Office.
- (C) Notwithstanding anything contained in this Bye-Law, the Company shall as soon as practicable and on a regular basis record in the Principal Register all ~~transfers of shares effected~~ entries or alterations made on any branch register and shall at all times maintain the Principal Register in all respects in accordance with the Companies Act.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

39. The Board may, in its absolute discretion, and without assigning any reason, 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 option scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register a transfer of any share (whether fully paid up or not) to more than four joint holders or a transfer of any shares (not being a fully paid up share) on which the Company has a lien.
40. The Board may also decline to recognise any instrument of transfer unless:–
- (i) such sum, if any, (not exceeding, in the case of any share capital listed on ~~a stock exchange in the Relevant Territory~~the Designated Stock Exchange, HK\$2.50 or such ~~other~~greater sum as ~~such stock exchange~~the Designated Stock Exchange may from time to time permit, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise such sum as the Company may by Ordinary Resolution determine) as the Board shall from time to time determine is paid to the Company in respect thereof has been paid;
 - (ii) the instrument of transfer is lodged at the relevant Registration Office or, as the case may be, the Transfer Office accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
 - (iii) the instrument of transfer is in respect of only one class of share;
 - (iv) the shares concerned are free of any lien in favour of the Company;
 - (v) if applicable, the instrument of transfer is properly stamped; and
 - (vi) where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.
41. No transfer of any shares (not being a fully paid up share) shall be made to an infant or to a person of unsound mind or under other legal disability.
42. If the Board shall refuse to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee ~~notice~~Notice of such refusal.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

43. 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 without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the instrument of transfer.
44. 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 any newspaper or by any other means in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.~~The registration of transfers may be suspended and the register may be closed at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares. The register shall not be closed for more than thirty days in any year.~~

TRANSMISSION OF SHARES

45. In the case of the death of a shareholder, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
46. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a shareholder may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
47. If the person becoming entitled to a share pursuant to Bye-Law 46 shall elect to be registered himself, as the holder of such share he shall deliver or send to the Company a ~~notice in writing~~Notice signed by him at (unless the Board otherwise agrees) the Registration Office, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such shares to his nominee. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such ~~notice~~Notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the shareholder had not occurred and the ~~notice~~Notice or transfer were a transfer executed by such shareholder.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

48. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-Law 77 being met, such a person may vote at general meetings of the Company.

FORFEITURE OF SHARES

49. If a shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Bye-Law 32, serve a ~~notice~~Notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may thereafter accrue up to the date of actual payment.
50. The ~~notice~~Notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of the ~~notice~~Notice) on or before which the payment required by the ~~notice~~Notice is to be made, and it shall also name the place where payment is to be made, such place being either the Registered Office or a Registration Office. The ~~notice~~Notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
51. If the requirements of any such ~~notice~~Notice as aforesaid are not complied with, any share in respect of which the ~~notice~~Notice has been given may at any time thereafter, before the payment required by the ~~notice~~Notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Bye-Laws to forfeiture shall include surrender.
52. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

53. A person whose shares have been forfeited shall cease to be a shareholder in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, as at the date of forfeiture, were payable by him to the Company in respect of the forfeited shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty (20) per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares as 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 such time has not yet arrived be deemed to be payable as at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
54. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
55. When any share shall have been forfeited, ~~notice~~Notice of the forfeiture shall be given to the shareholder 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~~Notice or make any such entry.
56. 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, cancel the forfeiture on such terms as the Board thinks fit or permit the shares so forfeited to be bought back or redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares, and upon such further terms (if any) as it thinks fit.
57. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payment thereon.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

58. (A) The provisions of these Bye-Laws as to forfeiture shall apply in the case of non-payment of any sum which, by 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.
- (B) In the event of a forfeiture of shares, the shareholder shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

ALTERATION OF CAPITAL

59. (A) The Company may from time to time by Ordinary Resolution:–
- (i) increase its capital as provided by Bye-Law 7;
 - (ii) consolidate or divide all or any of its share capital into shares of larger amount than its existing shares; and on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into a consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interest or may be paid to the Company for the Company's benefit;
 - (iii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
 - (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Continuance of the Company Association, subject nevertheless to the provisions of the Companies Act, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (v) cancel any shares which as at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
 - (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and
 - (vii) change the currency denomination of its share capital.
- (B) The Company may from time to time by Special Resolution, subject to any confirmation or consent required by law, reduce its issued share capital, ~~any capital redemption reserve fund~~ or, save for the use of share premium as expressly permitted by the Companies Act, any share premium account or other undistributable reserve ~~in any manner authorised and subject to any conditions prescribed by law~~.

GENERAL MEETINGS

60. (A) ~~The Subject to the Companies Act, an annual general meeting of the Company shall be held in each financial year hold a general meeting as its and such annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any) at such time as may be determined by and that of the Board next. A meeting of shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.~~

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- (B) Save where a general meeting is required by the Companies Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive ~~notice~~Notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-Laws, be treated as an Ordinary Resolution duly passed at a general meeting of the Company and, where relevant, as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last shareholder to sign, and where the resolution states a date as being the date of his signature thereof by any shareholder the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant shareholders.
61. All general meetings other than annual general meetings shall be called special general meetings. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held in such manner either: (a) as a physical meeting in any part of the world and at one or more locations as provided in Bye-Law 69A, or (b) as a hybrid meeting, or (c) as an electronic meeting, as may be determined by the Board in its absolute discretion.
62. ~~The Board may, whenever it thinks fit, convene a special general meeting, and special general meetings shall also be convened on requisition, as provided by the Companies Act, and, in default, may be convened by the requisitionists.~~The Board may whenever it thinks fit call special general meetings, and shareholders holding as 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, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held in the form of a physical meeting only and 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 convene a physical meeting at only one location which will be the Principal Meeting Place in accordance with the provisions of Section 74(3) of the Companies Act.

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63. ~~An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by at least twenty-one days' notice in writing, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a Special Resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:—~~An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days. All other general meetings (including a special general meeting) must be called by Notice of not less than fourteen (14) clear days but if permitted by the Listing Rules, a general meeting may be called by shorter notice if it is so agreed:

- (i) in the case of a meeting called as the annual general meeting, by all the shareholders entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five (95) per cent. ~~in nominal value of the total voting rights at the meeting of all the shares~~shareholders of the Company giving that right.

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

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64. (A) The accidental omission to give any ~~notice~~Notice to, or the non-receipt of any ~~notice~~Notice by, any person entitled to receive ~~notice~~Notice shall not invalidate any resolution passed or any proceedings at any such meeting.
- (B) In the case where instruments of proxy are sent out with any ~~notice~~Notice, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive ~~notice~~Notice of the relevant meeting shall not invalidate any resolution passed or any proceedings at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

65. 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 ~~Auditor~~the Auditor and other documents required to be annexed to the balance sheet, the election of Directors and appointment of ~~Auditor~~the Auditor and other officers in the place of those retiring, the fixing of the remuneration of the ~~Auditors~~Auditor, and the voting of ordinary or extra or special remuneration to the Directors.
66. ~~For all purposes the quorum for a general meeting shall be two shareholders present in person or by duly authorised corporate representative or by proxy and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.~~ 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) shareholders entitled to vote and present in person or by proxy or, for quorum purposes only, two persons appointed by the Clearing House as authorised representative or proxy shall form a quorum for all purposes.
67. ~~If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board.~~ If within thirty (30) minutes (or such longer time not exceeding one (1) 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 shareholders, 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(s) and in such form and manner referred to in Bye-Law 61 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.

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68. ~~The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as Chairman, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the shareholders present shall choose one of their number to be Chairman.~~ The chairman of the Company or 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 a general meeting. If at any meeting no chairman of the Company is present within fifteen (15) minutes after the time appointed for holding the meeting, or is willing to act as chairman of the meeting, 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 of the meeting. If no chairman or deputy chairman of the Company 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 of the meeting 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 of the meeting chosen shall retire from the chair, the shareholders present in person or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.
69. ~~The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no shareholder shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.~~ Subject to Bye-Law 69C, the chairman of the meeting 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 (physical meeting, hybrid meeting or electronic meeting), 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' Notice of the adjourned meeting shall be given specifying the details set out in Bye-Law 63 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.

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69A. (1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (the “**Meeting Location(s)**”). Any shareholder or any proxy attending and participating in such way or any shareholder participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.

(2) All general meetings are subject to the following:

- (a) where a shareholder is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
- (b) shareholders present in person or by proxy at a Meeting Location and/or shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that shareholders at all Meeting Locations and shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;
- (c) where shareholders attend a meeting by being present at one of the Meeting Locations and/or where shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more shareholders or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and
- (d) if any of the Meeting Locations is 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.

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69B. The Board and/or, 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 and/or any Meeting Location(s) and/or participation and/or voting in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a shareholder who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations or through electronic facilities; and the entitlement of any shareholder so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location(s) or through electronic facilities shall be subject to any such arrangement as may be for the time being in force and by the Notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

69C. If it appears to the chairman of the general meeting that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Bye-Law 69A(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; or
- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting,

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

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69D. The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Shareholders shall also comply with all requirements or restrictions imposed by the owner of the premises and/or the electronic facilities at which the meeting is held. Any decision made under this Bye-Law shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

69E. If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not Notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place and/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 (physical meeting, electronic meeting or hybrid meeting) without approval from the shareholders. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-Law shall be subject to the following:

- (a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting);
- (b) when only the form of the meeting or electronic facilities specified in the Notice are changed, the Board shall notify the shareholders of details of such change in such manner as the Board may determine;
- (c) when a meeting is postponed or changed in accordance with this Bye-Law, subject to and without prejudice to Bye-Law 69, unless already specified in the original Notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting and shall notify the shareholders of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-Laws not less than forty-eight (48) hours before the time of the postponed or changed meeting; and

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

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

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

69H. Without prejudice to Bye-Laws 69A to 69G, and subject to the Statutes and the Listing Rules and any other applicable laws, the Board may resolve to enable persons entitled to attend an electronic meeting to do so by simultaneous attendance by means of electronic facilities with no shareholder necessarily in physical attendance and without any particular Meeting Location being designated. Each shareholder or its proxy shall be counted in the quorum for, and entitled to vote at, the electronic meeting in question, and that general meeting shall be duly constituted and its proceedings valid if the chairman of the electronic meeting is satisfied that adequate facilities are available throughout the electronic meeting to ensure that shareholders attending the electronic meeting who are not present together at the same place may, by means of electronic facilities, attend and speak or communicate and vote at it.

69I. 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.

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70. (A) 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 poll every shareholder present in person or by proxy 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 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 in which case every shareholder present in person or by proxy shall have one vote provided that where more than one proxy is appointed by a shareholder which is a Clearing House (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-Law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its shareholders; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views. Votes may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

70. (B) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the Listing Rules or a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded. 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, a poll may be demanded:—

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

~~(ii) (i) by at least three shareholders present in person in the case of a shareholder being a corporation or by its duly authorized corporate representative or by proxy for the time being entitled to vote at the meeting; or~~

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

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

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- (C) A demand by a person as proxy for a shareholder shall be deemed to be the same as a demand by the shareholder.
- (D) Where a resolution is voted on by a show of hands, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules. Unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
71. If a poll is demanded as aforesaid, it shall (subject as provided in Bye-Law 72) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking hands of the poll, whichever is the earlier. On a poll votes may be given either personally or by proxy. 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.
72. [Reserved]Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.
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 the applicable Statutes, rules, codes or regulations of any competent regulatory authority. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairmanchairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote, the Chairmanchairman of the meeting shall determine the same, and such determination shall be final and conclusive.

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74. ~~[Reserved] The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.~~
75. For the purposes of section 106 of the Companies Act, a Special Resolution of the Company, and of any relevant class of shareholders, shall be required to approve any amalgamation or merger agreement as referred to in that section.

VOTES OF SHAREHOLDERS

76. ~~Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every shareholder who is present in person or by a duly authorised corporate representative or by proxy shall have one vote, and on a poll every shareholder present in person or by a duly authorised corporate representative or by proxy, shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Bye-Law as paid up on the share). On a poll a shareholder entitled to more than one vote need not use all his votes or cast his votes in the same way. All shareholders shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a shareholder is required, by the Listing Rules, the applicable Statutes, rules, codes or regulations of any competent regulatory authority, to abstain from voting to approve the matter under consideration.~~
- 76A. Where any shareholder is, under the Listing Rules, the applicable Statutes, rules, codes or regulations of any competent regulatory authority required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.
77. Any person entitled under Bye-Law 46 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight (48) hours 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 right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

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78. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder in whose name any share stands shall for the purposes of this Bye-Law be deemed joint holders thereof.
79. A shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, ~~whether on a show of hands or on a poll~~, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may ~~on a poll~~ vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Bye-Laws for the deposit of instruments of proxy or, if no place is specified, at the Registration Office.
80. (A) Save as expressly provided in these Bye-Laws or unless the Board determines otherwise, no person other than a shareholder duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another shareholder) either personally or by proxy or to be reckoned in a quorum (save as proxy for another shareholder), at any general meeting.
- (B) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or postponed meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the ~~Chairman~~chairman of the meeting, whose decision shall be final and conclusive.
81. Any shareholder of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally ~~or by duly authorised corporate representative~~ or by proxy. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation, shall be entitled to exercise the same powers on behalf of the shareholder which he or they represent as such shareholder could exercise, including the right to vote individually on a show of hands.

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82. The instrument appointing a proxy shall be in writing and if the Board in its absolute discretion determines, may be contained in an electronic communication, and (i) if in writing but not contained in an electronic communication, 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; or (ii) in the case of an appointment contained in an electronic communication, submitted by or on behalf of the appointer, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine. 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.~~The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.~~
- 82A. 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 or electronic means of submission 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 electronic address or by such electronic means of submission, subject to any other limitations or conditions specified by the Company when providing the electronic address or electronic means of submission. Without limitation, the Company may from time to time determine that any such electronic address or electronic means of submission may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses or electronic means of submission 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 or via its electronic means of submission in accordance with this Bye-Law or if no electronic address or electronic means of submission is so designated by the Company for the receipt of such document or information.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

83. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a ~~notarially~~-certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the ~~notice~~Notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office), or if the Company has provided an electronic address or electronic means of submission in accordance with Bye-Law 82A, shall be received at the electronic address or electronic means of submission specified, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting ~~or postponed meeting or poll~~ (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution, except at an adjourned meeting ~~or postponed meeting or on a poll demanded at a meeting or an adjourned meeting~~ in a case where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting ~~or upon the poll~~ concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
84. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.
85. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to ~~demand or join in demanding a poll and to vote~~ on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit. Provided that any form issued to a shareholder for use by him for appointing a proxy to attend and vote at a special general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the shareholder, according to his intentions, to instruct the proxy to vote in favour of and/or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment ~~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.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

86. A vote given in accordance with the terms of an instrument of proxy or power of attorney shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its Registration Office, or at such other place as is referred to in Bye-Law 83, at least two (2) hours before the commencement of the meeting or adjourned meeting or postponed meeting at which the proxy is used.
87. (A) Any corporation which is a shareholder of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its ~~corporate~~ representative at any meeting of the Company or of any class of shareholders of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder of the Company 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. ~~References in these Bye-Laws to a shareholder present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a shareholder represented at the meeting by such duly authorised corporate representative or by one or more proxies.~~ Nothing contained in this Bye-law~~Law~~ shall prevent a corporation which is a shareholder of the Company from appointing one or more proxies to represent it pursuant to Bye-law~~Law~~ 81.
- (B) If a Clearing House (or its nominee) is a shareholder of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its ~~corporate~~ representative or representatives, to the extent permitted by the Companies Act, at any meeting of the Company or at any meeting of any class of shareholders of the Company provided that, if more than one proxy or, ~~corporate~~ representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or ~~corporate~~ representative is so appointed. A person so appointed under the provisions of this Bye-law~~Law~~ shall be deemed to have been duly authorised without further evidence of the facts and shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual shareholder including the right to vote individually on a show of hands. The number of persons a Clearing House (or its nominee) may appoint to act as its ~~corporate~~ representative or representatives shall not exceed the number of shares held by a Clearing House (or its nominee), being shares in respect of which there is an entitlement to attend and vote at the relevant meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

REGISTERED OFFICE

88. The Registered Office shall be at such place in Bermuda as the Board shall from time to time appoint.

BOARD OF DIRECTORS

89. 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 shareholders in general meeting. ~~The number of Directors shall not be less than two.~~ The Company shall keep at the Registered Office a register of its directors and officers in accordance with the Statutes.
90. Any Director may at any time by Notice delivered to the Registered Office or the Head Office or at a meeting of the Directors appoint or remove 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 happening of any event which, if he were a Director, would cause him to vacate such office or if his appointor 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 Registered Office or the 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. ~~The Company in general meeting may by Ordinary Resolution elect a person or persons qualified to be Directors to act as Directors in the alternative to any of the Directors of the Company or may authorise the Board to appoint such alternate Directors. Any alternate Director may be removed by the Company in general meeting by Ordinary Resolution and, if appointed by the Board, may be removed by the Board and, subject thereto, the office of alternate Director shall continue until the next annual election of Directors in accordance with Bye-Law 99 or, if earlier, the date on which the relevant Director ceases to be a Director. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director.~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

91. (A) An alternate Director shall only be a Director for the purposes of the Companies Act and shall only be subject to the provisions of the Companies 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.~~A Director may at any time, by notice in writing signed by him delivered to the Registered Office or to the Head Office or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director such appointment unless previously approved by the Board shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.~~
- (B) 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.~~An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the ordinary remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (C) 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.~~An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or 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.~~
- (D) ~~Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Bye-Laws relating to Directors 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.~~
- (E) ~~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). The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.~~
- (F) ~~No alternate Director shall by virtue of that position be a director for the purposes of the Companies Act, but shall nevertheless be subject to the provisions of the Companies Act in so far as they relate to the duties and obligations of directors (other than the obligations to hold any qualifying share in the Company) when performing the functions of a Director.~~
92. A Director or an alternate Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and all meetings of any class of shareholders of the Company. Directors may participate in any meeting of the shareholders or any class thereof by means of a conference telephone, electronic means or other communications equipment through which all persons participating in the meeting can communicate simultaneously and instantaneously and, such participation shall constitute presence at a meeting as if those participating were present in person.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

93. The Directors shall be entitled to receive by way of remuneration for their services as Directors such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.
94. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged in the business of the Company or in the discharge of their duties as Directors.
95. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as the Board may determine.
96. (A) Notwithstanding Bye-Laws 93, 94 and 95, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or an Executive Director or a Director appointed to any other office in the management of the Company may from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.
- (B) Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

97. (A) A Director shall vacate his office:–
- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
 - (ii) if he becomes a lunatic or of unsound mind;
 - (iii) if he absents himself from the meetings of the Board during a continuous period of six (6) months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
 - (iv) if he becomes prohibited by law from acting as a Director;
 - (v) if by ~~notice in writing~~Notice delivered to the Company at its Registered Office or at the Head Office or at a meeting of the Board he resigns his office;
 - (vi) if he shall be removed from office by an Ordinary Resolution of the Company under Bye-Law 104.
- (B) 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.
98. (A) Subject to the Companies Act, a Director may hold any other office or place of profit with the Company (except that of ~~Auditor~~the Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for, by or pursuant to any other Bye-Law.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as ~~Auditor~~the Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (C) A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the shareholders for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
- (E) ~~Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director together with any of his associates owns 5 per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company;~~
- (EF) Subject to the Companies Act and to the next paragraph of this Bye-Law, no Director or proposed or intended Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the shareholders for any remuneration, profit or other benefits realised by any such contract or arrangement, by reason only of such Director holding that office or the fiduciary relationship thereby established.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

(~~FG~~) 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 taken into consideration, 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~~Notice to the Board by a Director to the effect that (a) he is a shareholder 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~~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~~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~~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.

(~~GH~~) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his close associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:–

- (i) the giving of any security or indemnity either:–
 - (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

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- ~~(iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;~~
- ~~(iii)~~ (v) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:—

 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates ~~both to Directors the~~ Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- ~~(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.~~
- (f) ~~A company shall be deemed to be a company in which a Director together with any of his associates owns five (5) per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he together with his associates is (either directly or indirectly) the holder of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights of any class of shares available to shareholders of the company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associates as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's or his associates' interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associates is interested only as a unit holder.~~

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- (J) ~~Where a company in which a Director together with any of his associates holds five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.~~
- (HK) 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~~chairman of the meeting of the Board) or his close associates or as to the entitlement of any Director (other than such ~~Chairman~~chairman of the meeting of the Board) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the ~~Chairman~~chairman of the meeting of the Board 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 or his close associates 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~~chairman of the meeting of the Board or his close associates, such question shall be decided by a resolution of the Board (for which purpose such ~~Chairman~~chairman of the meeting of the Board shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such ~~Chairman~~chairman of the meeting of the Board or his close associates as known to him has not been fairly disclosed to the Board.

APPOINTMENT AND RETIREMENT OF DIRECTORS

99. At each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third but not less than one-third, shall retire from office by rotation. 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 Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. ~~The~~ Any further Directors so to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day shall (unless they otherwise agree between themselves) be determined by lot. ~~The retiring Directors shall be eligible for re-election.~~ The Company at any general meeting at which any Directors retire may fill the vacated offices. For avoidance of doubt, each Director shall retire at least once every three (3) years. Any Director appointed pursuant to Bye-Law 102(B) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

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100. If at any general meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:–
- (i) it shall be determined at such meeting to reduce the number of Directors; or
 - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
 - (iii) in any such case the resolution for re-election of a Director is put to the meeting and lost; or
 - (iv) such Director has given ~~notice in writing~~Notice to the Company that he is not willing to be re-elected.
101. The Company in general meeting shall from time to time fix and may from time to time by Ordinary Resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.
102. (A) The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall be subject to retirement by rotation pursuant to Bye-Law 99.
- (B) The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director so appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company after his appointment and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

103. ~~No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office at least seven days before the date of the general meeting. The period for lodgment of the notices required under this Bye-law will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.~~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 a Notice signed by a shareholder (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.
104. The Company may by Ordinary Resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) 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. A vacancy on the Board created by the removal of a Director under the preceding sentence may be filled by the election or appointment by the shareholders 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. ~~and may elect another person in his stead.~~

BORROWING POWERS

105. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

106. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
107. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
108. Any debentures, debenture stock, 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.
109. (A) The Board shall cause a proper register to be kept of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the Companies Act with regard to the registration of mortgages and charges as may be specified or required.
- (B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.
110. 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 shareholders or otherwise, to obtain priority over such prior charge.

MANAGING DIRECTORS, ETC.

111. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Bye-Law 96.
112. Every Director appointed to an office under Bye-Law 111 ~~hereof~~ shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company, be liable to be dismissed or removed therefrom by the Board.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

113. A Director appointed to an office under Bye-Law 111 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors ~~of the Company~~, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
114. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

MANAGEMENT

115. (A) The management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities expressly conferred upon it by these Bye-Laws, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and which are not hereby or by the Statutes expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Statutes and of these Bye-Laws and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Bye-Laws, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (B) Without prejudice to the general powers conferred by these Bye-Laws, it is hereby expressly declared that the Board shall have the following powers:–
- (i) 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 and on such other terms as may be agreed; ~~and~~
 - (ii) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and
 - (iii) to resolve that the Company be discontinued in Bermuda and continued in a named country or jurisdiction outside Bermuda subject to the provisions of the Companies Act.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

MANAGERS

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

CHAIRMAN AND OTHER OFFICERS

119. The officers of the Company shall consist of the Directors and the 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 Companies Act and these Bye-Laws. The Board may elect one or more chairman and one or more deputy chairman of the Company and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman of the Company is elected, or if at any meeting no chairman or deputy chairman of the Company 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.~~The Board shall as soon as practicable following each annual general meeting elect one of its body to the office of Chairman of the Company and another to be the Deputy Chairman of the Company and may from time to time elect or otherwise appoint other officers and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.~~ All the provisions of Bye-Laws 112, 113 and 114 shall mutatis mutandis apply to any Directors elected or otherwise appointed to any office in accordance with the provisions of this Bye-Law.

PROCEEDINGS OF THE DIRECTORS

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

122. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the ~~Chairman~~chairman of the meeting shall have a second or casting vote.
123. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Bye-Laws for the time being vested in or exercisable by the Board generally.
124. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons as the Board thinks fit, and it 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, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
125. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
126. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Bye-Law 124.
127. All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.
128. The continuing Directors may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to these Bye-Laws as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

129. 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 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.~~A resolution in writing signed by all the Directors except such as are absent from the territory in which the Head Office is for the time being situate or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as such a resolution shall be signed by at least two Directors or their alternates and provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors (or their alternates) for the time being entitled to receive notices of Board meetings) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolutions in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.~~

MINUTES

130. (A) The Board shall cause minutes to be made of:–
- (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Bye-Law 124; and
 - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting at which the proceedings were held or by the chairman of the next succeeding meeting.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (C) The Directors shall duly comply with the provisions of the Companies Act in regard to keeping a register of shareholders and to the production and furnishing of copies of or extracts from such register.
- (D) Any register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner which shall include, without prejudice to the generality thereof, recording by means of magnetic tape, microfilm, computer or any other non-manual system of recording. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

SECRETARY

- 131. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Statutes or these Bye-Laws required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially on behalf of the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.
- 132. The duties of the Secretary shall be those prescribed by the Companies Act and these Bye-Laws, together with such other duties as may from time to time be prescribed by the Board.
- 133. A provision of the Statutes 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.

GENERAL MANAGEMENT AND USE OF THE SEAL

- 134. (A) Subject to the Statutes, the Company shall have one or more Seals as the Directors may determine. The Directors shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Directors or a committee authorised by the Directors in that behalf.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (B) Every instrument to which a Seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or by any person or persons (including a Director and/or the Secretary) appointed by the Board for the purpose provided that as regards any certificates for shares or debentures or other securities of the Company the Directors 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 other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person.
- (C) The Company may have a Securities Seal for use for sealing certificates for shares or other securities issued by the Company and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such Securities Seal is affixed shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid. The Board may by resolution determine that the affixation of Securities Seal on certificates for shares or other securities issued by the Company be dispensed with or be affixed by printing the image of the Securities Seal on such certificates.
135. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the 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.
136. (A) The Board may from time to time and at any time, by power of attorney under the Seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these 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.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (B) The Company may, by writing under its Seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the Seal.
137. The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or ~~agent~~agency any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any regional or local board or any of them to fill any vacancies therein and to act notwithstanding any such vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
138. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid and the spouses, widows, widowers, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

AUTHENTICATION OF DOCUMENTS

139. Any Director or the Secretary or other authorised officer of the Company shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, 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 of extracts; and where any books, records, documents or accounts are elsewhere than at the Registered Office or the Head Office, the local manager or such other officer of the Company having the custody thereof shall be deemed to be the authorised officer of the Company as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any local board or committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

CAPITALISATION OF RESERVES

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

(B) 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 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.

(CB) Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of the reserves or undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Bye-Law, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may disregard fractional entitlements or round the same up or down and may determine that cash payments shall be made to any shareholders in lieu of fractional entitlements or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned. The Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue a contract for allotment and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

DIVIDENDS, CONTRIBUTED SURPLUS AND RESERVES

141. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board. The Company in general meeting may also make a distribution to the shareholders out of any contributed surplus (as ascertained in accordance with the Companies Act).

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

142. (A) The Board may subject to Bye-Law 143 from time to time pay to the shareholders such interim dividends as appear to the Board to be justified by the profit-position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer to the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
143. (A) No dividend shall be declared or paid and no distribution of contributed surplus shall be made otherwise than in accordance with the Statutes. ~~No dividend shall be paid otherwise than out of profits available for distribution.~~
- (B) ~~Subject to the provisions of the Companies Act (but without prejudice to paragraph (A) of this Bye-Law), where any asset, business or property is bought by the Company as from a past date (whether such date be before or after the incorporation of the Company) the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company, and be available for dividend accordingly. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Board be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.~~
- (BE) Subject to Bye-Law 143 (C~~D~~), all dividends and other distributions in respect of shares in the Company shall be stated and discharged, ~~in the case of shares denominated in Hong Kong dollars, in Hong Kong dollars, and in the case of shares denominated in United States dollars, in United States dollars, provided that, in the case of shares denominated in Hong Kong dollars, the Board may determine in the case of any distribution that shareholders may elect to receive the same in United States dollars or any other~~ in any currency selected by the Board, conversion to be effected at such rate of exchange as the Board may determine.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (CÐ) If, in the opinion of the Board, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder, then such dividend or other distribution or other payment may, at the discretion of the Board, be paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the register).
144. Notice of the declaration of an interim dividend shall be given ~~by advertisement in the Relevant Territory and in such other territory or territories as the Board may determine and in such manner as the Board shall determine.~~
145. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
146. 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 for securities of any other company, or in any one or more of such ways, with or without offering any rights to shareholders to elect to receive such dividend in cash, and where any difficulty arises in regard to the distribution, the Board may settle the same as it thinks expedient, and in particular may 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 shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, the Board may appoint any person to sign a contract on behalf of the persons entitled to the dividend and such appointment shall be effective. The Board may resolve that no such assets shall be made available or paid to shareholders 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 and in such event the only entitlement of the shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of shareholders for any purpose whatsoever.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

147. (A) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:–

either

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:–
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' ~~notice in writing~~Notice to the shareholders of the right of election accorded to them and shall send with such ~~notice~~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;
 - (c) 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
 - (d) 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 lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

or

- (ii) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:–
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' ~~notice in writing~~Notice to the shareholder of the right of election accorded to them and shall send with such ~~notice~~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;
 - (c) 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
 - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

(B) The shares allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:—

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend;

unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Bye-Law in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank for participation in such distribution, bonus or rights.

(C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Bye-Law with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the shareholders concerned). The Board may authorise any person to enter into on behalf of all shareholders interested an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(D) The Company may upon the recommendation of the Board by ~~Ordinary~~Special Resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Bye-Law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Bye-Law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful or impracticable; and in such event the provisions aforesaid shall be read and construed subject to such determination.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

148. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) 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 by way of dividend.
149. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Bye-Law, no amount paid on a share in advance of calls shall be treated as paid on the share.
150. (A) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (B) The Board may deduct from any dividend or bonus payable to any shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.
151. Any general meeting sanctioning a dividend may make a call on the shareholders of such amount as the meeting fixes, but so that the call on each shareholder shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the shareholder, be set off against the call.
152. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
153. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

154. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the shareholder entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.
155. 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 and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six (6) years after having been declared may be forfeited by the Board and shall revert to the Company.
156. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable or made to the persons registered as the holder of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or other distribution between the 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 shareholders.

DISTRIBUTION OF REALIZED CAPITAL PROFITS

157. The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the ~~ordinary~~ shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

ANNUAL RETURNS

158. The Board shall make or cause to be made such annual or other returns or filings as may be required to be made in accordance with the Statutes.

ACCOUNTS

159. 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 receipts and expenditure take place; and of the property, assets, credits and liabilities of the Company and of all other matters required by the Statutes or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.
160. The books of account shall be kept at the Head Office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors provided that such records as are required by the Statutes shall also be kept at the Registered Office.
161. No shareholder (not being a Director) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.
162. (A) The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.
- (B) Subject to paragraph (C) below, every balance sheet of the Company shall be signed on behalf of the Board by ~~two~~ any one of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the ~~Auditors~~ Auditor's report, shall not less than twenty-one (21) days before the date of the meeting be sent to each person entitled thereto, ~~every shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of the Companies Act or these Bye-Laws,~~ provided that this Bye-Law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, ~~but any shareholder or holder of debentures to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the shares or debentures of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.~~

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (C) The Company may send summarized financial statements to shareholders of the Company who have, in accordance with the Statutes and the Listing Rules~~any applicable rules prescribed by The Stock Exchange of Hong Kong Limited~~, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by an ~~auditor's~~ Auditor's report and ~~notice~~ Notice informing the shareholder how to notify the Company that he elects to receive the full financial statements. The summarized financial statements, ~~notice~~ Notice and ~~the auditor's~~ Auditor's report must be sent not less than twenty-one (21) days before the general meeting to those shareholders that consented and elected to receive the summarized financial statements.
- (D) Subject to Section 88 of the Companies Act, the Company shall send the full financial statements to a shareholder within seven (7) days of receipt of the shareholder's election to receive the full financial statements.

~~AUDITORS~~AUDITOR

163. (A) ~~Auditors~~The Auditor shall be appointed and the terms and tenure of such appointment and ~~their~~his duties at all times regulated in accordance with the provisions of the Companies Act.
- (B) Subject to section 88 of the Companies Act, The~~the~~ Company shall at each annual general meeting by Ordinary Resolution appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting, but if an appointment is not made, the ~~Auditors~~Auditor in office shall continue in office until a successor is appointed. A Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be capable of being appointed as the Auditor~~Auditors of the Company~~. If the office of the Auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required or by the shareholders failed to appoint or re-appoint the Auditor, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.~~The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act.~~ Subject as otherwise provided by the Companies Act, the remuneration of the ~~Auditors~~Auditor shall be fixed by or on the authority of the Company in the annual general meeting by way of Ordinary Resolution except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board by way of Ordinary Resolution and the remuneration of any ~~Auditors~~Auditor appointed to fill any casual vacancy may be fixed by the Directors.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

(C) The shareholders may, at any general meeting convened and held in accordance with these Bye-Laws, by extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by Ordinary Resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

164. The ~~Auditors~~Auditor shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information as may be necessary for the performance of his ~~or their~~ duties, and the ~~Auditors~~Auditor shall make a report to the shareholders on the accounts examined by ~~them~~him and on every balance sheet, consolidated balance sheet and consolidated profit and loss account intended to be laid before the Company in the annual general meeting during ~~their~~his tenure of office as required by the Statutes.
165. Subject to section 89 of the Companies Act, a person other than the incumbent Auditor shall not be capable of being appointed as the Auditor at a general meeting unless Notice of an intention to nominate that person to the office of the Auditor has been given to the Company not less than twenty-one (21) days before the general meeting, and the Company shall send a copy of any such Notice to the incumbent Auditor and shall give Notice thereof to the shareholders not less than seven (7) days before the annual general meeting provided that the above requirements may be waived by Notice by the incumbent Auditor to the Secretary. ~~A person other than the retiring Auditors shall not be capable of being appointed Auditors at an annual general meeting unless notice of an intention to nominate that person to the office of Auditors has been given to the Company not less than fourteen days before the annual general meeting, and the Company shall send a copy of any such notice to the retiring Auditors and shall give notice thereof to the shareholders not less than seven days before the annual general meeting provided that the above requirements may be waived by notice in writing by the retiring Auditors to the Secretary provided that if after a notice of the intention to nominate Auditors has been so given an annual general meeting is called for a date fourteen days or less after that notice has been given, the notice, though not given within the time required by this Bye-Law, shall be deemed to have been properly given for the purposes thereof, and the notice to be sent or given by the Company may instead of being sent or given within the time required by this provision be sent or given at the same time as the notice of the annual general meeting.~~
166. Subject to the provisions of the Companies Act, all acts done by any person acting as ~~Auditors~~the Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in ~~their~~his appointment or that ~~they were~~he was at the time of ~~their~~his appointment not qualified for appointment or subsequently became disqualified.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

NOTICES

167. (A) (1) Except where otherwise expressly stated, any ~~notice~~Notice or document to be given to or by any person pursuant to these ~~Bye-laws~~Laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by ~~The Stock Exchange of Hong Kong Limited~~the Designated Stock Exchange from time to time and subject to this ~~Bye-law~~Law, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing.
- (2) Any ~~notice~~Notice or document to be given to or by any person pursuant to these ~~Bye-laws~~Laws may be served on or delivered to any shareholder of the Company either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by leaving it at that address addressed to the shareholder or by any other means authorised in writing by the shareholder concerned or (other than share certificates) by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in ~~the~~ Hong Kong. In case of joint holders of a share, all ~~notice~~Notices shall be given to that one of the joint holders whose name stands first in the register and ~~notice~~Notice so given shall be sufficient ~~notice~~Notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by ~~The Stock Exchange of Hong Kong Limited~~the Designated Stock Exchange from time to time, a ~~notice~~Notice or document may be served or delivered by the Company to any shareholder by electronic means to such address as may from time to time be authorised by the shareholder concerned or by publishing it on a ~~computer network website~~ and notifying the shareholder concerned; ~~in such manner as he may from time to time authorise~~; that it has been so published (the “notice of availability”).
- (3) Any such ~~notice~~Notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen (15) days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any ~~notice~~Notice or document is served or delivered to any person in respect of a share in accordance with these ~~Bye-Laws~~laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that ~~notice~~Notice or document.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (B) (1) Any ~~notice~~Notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Head Office or the Registered Office.
- (2) The Board may from time to time specify the form and manner in which a ~~notice~~Notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as ~~they think~~it thinks fit for verifying the authenticity or integrity of any such electronic communication. Any ~~notice~~Notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.
168. Any shareholder whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of ~~notice~~Notice shall be deemed to be his registered address. Where the registered address of the shareholder is outside the Relevant Territory, ~~notice~~Notice, if given through the post, shall be sent by prepaid airmail letter.
169. Any ~~notice~~Notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the ~~notice~~Notice or document was properly addressed and put into the post as prepaid mail. Any ~~notice~~Notice or document not sent by post but left by the Company at the address of a shareholder noted on the register shall be deemed to have been served or delivered on the day it was so left. Any ~~notice~~Notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any ~~notice~~Notice or document served or delivered by the Company by any other means authorised in writing by the shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any ~~notice~~Notice or other document published by way of advertisement in the Newspapers or in an appointed newspaper ~~or posted on a computer network~~ shall be deemed to have been served or delivered on the day it was so published ~~or posted~~. Any ~~notice~~Notice or document published on a website shall be deemed to have been given by the Company to a shareholder on the later of (i) the date on which a notice of availability is deemed to have been served on such shareholder and (ii) the date on which such Notice or document was published on the website.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

170. A ~~notice~~Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a shareholder by sending it through the post in a prepaid envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the ~~notice~~Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
171. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every ~~notice~~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.
172. Any ~~notice~~Notice or document delivered or sent by post to, or left at the registered address of, any shareholder in pursuance of these presents, shall notwithstanding that such shareholder be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such shareholder until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such ~~notice~~Notice or document on his personal representatives or trustee of the bankrupt and all persons (if any) jointly interested with him in any such shares.
173. The signature to any ~~notice~~Notice to be given by the Company may be written or printed or made electronically.

INFORMATION

174. No shareholder (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company which in the opinion of the Board it will be inexpedient in the interests of the shareholders of the Company to communicate to the public.

WINDING UP

175. A resolution that the Company be wound up by the Court or be wound up voluntarily shall be a Special Resolution.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

176. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the shareholders in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed subject to the rights of any shares which may be issued on special terms and conditions, so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid up on the shares held by them respectively.
177. If the Company shall be wound up (whether the liquidation is voluntary or ordered by the Court),² the liquidator may, with the sanction of a Special Resolution, divide among the shareholders in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders and the shareholders within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of shareholders as the liquidator, with the like sanction, shall think fit, but so that no shareholder shall be compelled to accept any shares or other assets upon which there is a liability.

INDEMNITY

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

UNTRACEABLE SHAREHOLDERS

179. Without prejudice to the rights of the Company under Bye-Law 155 and the provisions of Bye-Law 180, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
180. The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a shareholder who is untraceable, but no such sale shall be made unless:–
- (i) all cheques or warrants, being not less than three 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;
 - (ii) 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 shareholder who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law;
 - (iii) the Company has caused an advertisement to be inserted in the Newspapers and in a newspaper circulating in the area of the last known address of such shareholder or any person entitled to the share under Bye-Law 46 and where applicable, in each case in accordance with the requirements of, the Designated Stock Exchange of its intention to sell such shares 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; and
 - (iv) the Company has notified the ~~stock exchange in the Relevant Territory~~ Designated Stock Exchange of its intention to effect such sale and the Designated Stock Exchange has been notified of such intention.

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

To give effect to any such sale, the Board may authorise any person to transfer the said shares and the 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 proceeds, it shall become indebted to the former shareholder for an amount equal to such net proceeds. No trusts 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 shareholder holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

DESTRUCTION OF DOCUMENTS

181. (A) Subject to the Companies Act, the Company may destroy:—

- (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 on which 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 six (6) years from the date of registration; ~~and~~
- (d) any other document, on the basis of which any entry in the register is made, at any time after the expiry of six (6) years from the date on which an entry in the register was first made in respect of it; and
- (e) any copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of six (6) years after the account to which the relevant powers of attorney, grants of probate or letters of administration related has been closed,

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and it shall conclusively be presumed in favour of the Company that 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:—

- (i) 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;
- (ii) 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 (i) above are not fulfilled; and
- (iii) references in this Bye-Law to the destruction of any document include reference to its disposal in any manner.

(B) Notwithstanding any provision contained in these Bye-Laws, the Directors may, if permitted by applicable laws, authorise the destruction of documents set out in subparagraphs (a) to (e) of paragraph (A) 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 principal or branch share registrar of the Company 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 principal or branch share registrar that the preservation of such document was relevant to a claim.

RESIDENT REPRESENTATIVE

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

MAINTENANCE OF RECORDS

183. ~~The~~Where the Company has a Resident Representative, the Company shall keep at the office of its Resident Representative, in accordance with the provisions of the Statutes, the following:–
- (i) minutes of all proceedings of general meetings of the Company and all proceedings of meetings of Directors;
 - (ii) all financial statements required to be prepared by the Company under the Companies Act together with the ~~Auditors~~Auditor's report thereon;
 - (iii) all records of account required by Section 83 of the Companies Act to be kept in Bermuda; and
 - (iv) all such documents as may be required in order to provide evidence of the continued listing of the Company on ~~an appointed stock exchange within the meaning of the Companies Act~~the Designated Stock Exchange.

SUBSCRIPTION RIGHT RESERVE

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

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

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

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrantholder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, contributed surplus account, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrantholder 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 warrantholder upon the issue of such certificate.
- (B) 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 (A) of this Bye-Law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (C) The provisions of this Bye-Law as to the establishment and maintenance of the Subscription Right 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 warrantholder or class of warrantholders under this Bye-Law without the sanction of a Special Resolution of such warrantholders or class of warrantholders.
- (D) A certificate or report by the ~~Auditors~~Auditor ~~for the time being of the Company~~ as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrantholders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrantholders and shareholders.

APPENDIX III PROPOSED AMENDMENTS TO THE BYE-LAWS

RECORD DATES

185. Notwithstanding any other provision of these Bye-Laws, the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made. The Company or the Board may also fix any date as the record date for determining the shareholders entitled to receive Notice of and to vote at any general meeting of the Company.

STOCK

- ~~186. The following provisions shall have effect at any time and from time to time that they are not prohibited or inconsistent with the Statutes:~~

- ~~(1) The Company may by Ordinary Resolution convert any paid up shares into stock, and may from time to time by like resolution reconvert any stock into paid up shares of any denomination.~~
- ~~(2) The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.~~
- ~~(3) The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.~~
- ~~(4) Such of the provisions of these Bye-Laws as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".~~

Below is the statement referred to in the schedule to the Requisition Notice requested to be given to the Shareholders as per the Requisition Notice:

PARTICULARS OF MR. NG TING CHI

Mr. Ng Ting Chi (吳廷智) (“Mr. Ng”), aged 34, is proposed to be appointed as a director of Town Health International Medical Group Limited (a company listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) under stock code: 3886) (the “Company, which together with its subsidiaries, the “Group”).

Mr. Ng is a qualified member of Hong Kong Institute of Certified Public Accountants and CPA Australia. Mr. Ng graduated from University of New South Wales with a degree in Bachelor of Economics. He was working in one of the big four audit firms during 2010 to 2014 responsible for auditing and financial statement analysis. During 2014 to 2022, Mr. Ng was working in two investment banks as a sponsor principal and responsible officer licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) leading and supervising various corporate finance work including initial public offering, mergers and acquisitions and equity capital market activities etc.. At present, Mr. Ng is working in Power Financial Group Limited (a company listed on the main board of the Stock Exchange under stock code: 397) as a General Manager responsible for giving advice on the management of the group’s investment and financial services business.

Mr. Ng will enter into a service agreement or letter of appointment with the Company. His emoluments will be determined by the Remuneration Committee of the Company.

Save as disclosed above, Mr. Ng: (i) does not hold any other positions within the Group; (ii) has no relationship with any director, member of senior management of the Group or substantial or controlling shareholders of the Company; (iii) did not hold any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, Mr. Ng is not aware of any matter in relation to his appointment that needs to be brought to the attention of the Stock Exchange or the shareholders nor any information to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange.

NOTICE OF ANNUAL GENERAL MEETING



Town Health International Medical Group Limited 康健國際醫療集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Town Health International Medical Group Limited (“**Company**”) will be held at 3:00 p.m. on Tuesday, 28 June 2022 at 1st Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company, the report of the directors and the independent auditor’s report for the year ended 31 December 2021.
2. To declare a final dividend of HK0.15 cent per ordinary share for the year ended 31 December 2021.
3. To re-elect the following retiring directors of the Company:
 - (a) Mr. Hou Jun as a non-executive director of the Company;
 - (b) Mr. Ho Kwok Wah, George, *MH* as an independent non-executive director of the Company; and
 - (c) Mr. Yu Xuezhong as an independent non-executive director of the Company.

NOTICE OF ANNUAL GENERAL MEETING

4. To authorise the board of directors of the Company to fix the directors' remuneration.
5. To re-appoint Moore Stephens CPA Limited as the auditors of the Company and authorise the board of directors of the Company to fix their remuneration.

As special business, to consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTIONS

6. **“THAT:**
 - (A) subject to paragraph (C) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue or otherwise deal with new ordinary shares in the share capital of the Company (“**Shares**”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers after the end of the Relevant Period;
 - (C) the number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to Shares issued as a result of a Rights Issue (as defined below), the exercise of the subscription or conversion rights attaching to any warrants issued by the Company or the exercise of options granted under any share option scheme of the Company or any scrip dividend providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares as at the date of the passing of this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares purchased or repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares as at the date of the passing of this resolution),

and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly;

(D) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (C) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (C) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and

(E) 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 law of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the directors of the Company to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the directors of the Company 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 recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT:**

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase or repurchase ordinary shares in the share capital of the Company (“**Shares**”), subject to and in accordance with all applicable laws and rules, on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (B) the number of Shares which may be purchased or repurchased by the Company or agreed to be purchased or repurchased by the Company pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (C) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (B) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (B) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and
- (D) for the purpose 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 law of Bermuda to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** conditional upon the passing of resolutions numbered 6 and 7 set out in the notice convening this meeting, the number of ordinary shares in the share capital of the Company (“**Shares**”) which is purchased or repurchased by the Company pursuant to the authority granted to the directors of the Company by resolution numbered 7 set out in the notice convening this meeting shall be added to the number of Shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to resolution numbered 6 set out in the notice convening this meeting, provided that such Shares shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution.”
9. “**THAT** Mr. Ng Ting Chi (吳廷智) be and is hereby appointed as director of the Company with effect from the conclusion of this meeting.”

SPECIAL RESOLUTION

10. “**THAT** the amended and restated bye-laws of the Company in the form of the document marked “A” produced to this meeting and, for the purpose of identification, signed by the chairman of the meeting, which restates the bye-laws of the Company to reflect all of the proposed amendments referred to in Appendix III to the circular of the Company dated 2 June 2022, be and is hereby approved and adopted as the amended and restated bye-laws of the Company in substitution for, and to the exclusion of, the existing bye-laws of the Company with immediate effect after the close of this meeting, and that the directors of the Company be and are hereby authorised to do all things necessary to implement the adoption of the amended and restated bye-laws of the Company.”

By order of the Board
Town Health International Medical Group Limited
Jin Zhaogen
Executive Director and Chief Executive Officer

Hong Kong, 2 June 2022

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

*Head office and principal place
of business in Hong Kong:*

6th Floor
Town Health Technology Centre
10-12 Yuen Shun Circuit
Siu Lek Yuen
Shatin, New Territories
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To ascertain the entitlement of the shareholders of the Company to attend and vote at the meeting convened by the above notice, the register of members of the Company will be closed from Thursday, 23 June 2022 to Tuesday, 28 June 2022, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement to attend and vote at the meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. on Wednesday, 22 June 2022.
3. To ascertain the entitlement of the shareholders of the Company to the proposed final dividend for the year ended 31 December 2021, the register of members of the Company will be closed from Thursday, 7 July 2022 to Tuesday, 12 July 2022, both dates inclusive, during which no transfer of Shares will be effected. In order to qualify for the entitlement to the proposed final dividend for the year ended 31 December 2021, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Wednesday, 6 July 2022.
4. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof), must be deposited at the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 3:00 p.m. on Sunday, 26 June 2022 or not less than 48 hours before the time appointed for holding the adjourned meeting.
5. Completion and return of an instrument appointing a proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof and in such event the instrument appointing a proxy shall be deemed to be revoked.
6. As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, all the above resolutions will be decided by way of poll.
7. References to time and dates in this notice are to Hong Kong time and dates.