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

If you have sold or transferred all your shares in Mongolia Energy Corporation Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**MONGOLIA ENERGY CORPORATION LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATE TO ISSUE NEW SHARES,
ADOPTION OF NEW SHARE OPTION SCHEME,
PROPOSED AMENDMENTS TO THE BYE-LAWS,
PROPOSED FIXING OF THE MAXIMUM NUMBER OF
DIRECTORS AND AUTHORISING DIRECTORS TO APPOINT
ADDITIONAL DIRECTORS UP TO THE MAXIMUM NUMBER
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Mongolia Energy Corporation Limited to be held at 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 12 December 2022 at 11:00 a.m., at which a number of matters including the above proposals will be considered, is set out on pages 102 to 106 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so desire.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the pandemic of COVID-19, precautionary measures will be implemented at the annual general meeting of Mongolia Energy Corporation Limited (or any adjournment thereof) to protect the Shareholders from the risk of infection. For details please refer to page 4 of this circular. Please note that the holding of the annual general meeting is subject to the development of the COVID-19 pandemic and the requirements or guidelines of the government and/or regulatory authorities. The Company may announce further updates on the annual general meeting arrangement on the Company's website at www.mongolia-energy.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk as and when appropriate.

10 November 2022

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DEFINITIONS

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

“Adoption Date”	the date on which the condition to the New Share Option Scheme is fulfilled
“Amended Rules”	the amended Listing Rules relating to share schemes of listed issuers, including New Chapter 17, to be effective on 1 January 2023
“award(s)”	means Share(s) granted or to be granted under a share award scheme
“2012 AGM”	the annual general meeting of the Company held on 30 August 2012 approving, among others, the Old Share Option Scheme
“AGM”	the annual general meeting of the Company to be held at 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 12 December 2022 at 11:00 a.m. or where the context so admits, any adjournment thereof
“Board”	the board of Directors
“Business Day(s)”	has the meaning ascribed thereto under the Listing Rules
“Bye-laws”	the bye-laws of the Company currently in force
“close associates”	has the meaning ascribed thereto under Chapter 1 of the Listing Rules
“Company”	Mongolia Energy Corporation Limited (stock code: 276), a company incorporated in Bermuda with limited liability, whose issued Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company

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“Eligible Person”	any person who is (or will be on and following the date of grant of the Option): (i) any employee or proposed employee (whether full time or part time) or executive, including executive director, of any member of the Group (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with these companies); or (ii) any non-executive director (including independent non-executive directors) of any member of the Group;
“Old Share Option Scheme”	the old share option scheme of the Company adopted on 30 August 2012 and expired on 29 August 2022
“General Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with new Shares in the manner as set out in the Notice of AGM
“Grantee”	any Eligible Person who accepts an offer of the grant of an Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person who, in accordance with the applicable laws of succession, is entitled to any Option to the extent not already exercised in consequence of the death of the original Grantee
“Group”	the Company and its subsidiaries, and “member(s) of the Group” shall be construed accordingly
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	4 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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“New Bye-laws”	the new Bye-laws of the Company incorporating and consolidating all the Proposed Amendments, proposed to be adopted by the Company at the AGM
“New Chapter 17”	new Chapter 17 of the Listing Rules to be effective on 1 January 2023
“New Share Option Scheme”	the new share option scheme of the Company proposed to be adopted at the AGM, the principal terms of which are set out in Appendix II to this Circular
“Notice of AGM”	the notice convening the AGM as set out on pages 102 to 106 of this circular
“Offer”	means an offer of the grant of an Option made in accordance with the terms and conditions of the New Share Option Scheme
“Option(s)”	a right to subscribe for Shares pursuant to the New Share Option Scheme and any other scheme(s) of the Company (if any)
“PRC”	the Peoples’ Republic of China excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Bye-laws as set out in Appendix IV to this circular
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company
“Share Capital”	the issued ordinary share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“share award scheme”	means a scheme, if any, involving the grant of the Shares by the Company or its principal subsidiary (as defined under Rule 17.14 of New Chapter 17), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

PRECAUTIONARY MEASURES FOR THE AGM

Depending on the ongoing development of Novel Coronavirus (COVID-19) epidemic in Hong Kong, the Company will implement the following preventive measures at the AGM to protect all attendees from the risk of infection and all attendees are expected to comply with the following:

- (i) Compulsory body temperature checks will be conducted on every attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.3 degrees Celsius will be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All attendees may be asked whether (a) they have travelled outside of Hong Kong within the 14-day period immediately before the AGM; and (b) they have been subject to any Hong Kong Government prescribed quarantine or has close contact with any person under quarantine shall not attend the AGM. Anyone who responds positively to any of these questions will be denied entry into the meeting venue or be required to leave the meeting venue.
- (iii) Every attendee is required to wear surgical face mask inside the AGM venue at all times, and to maintain a safe distance between seats.
- (iv) Every attendee shall submit a complete health declaration form before entering the AGM venue.

No refreshments will be served and there will be no corporate gifts.

The Company reserves the right to deny entry into the AGM venue or requires any person to leave the AGM venue at any time before and during the AGM in order to ensure the safety of the attendees at the AGM.

To the extent permitted under the laws of Hong Kong, the Company reserves the right to limit the number of attendees at the AGM venue. The number of attendees allowed in the AGM venue is subject to the requirements and restrictions under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong).

Shareholders who would like to physically attend the AGM will be admitted to the AGM venue on a “first-come-first-served” basis.

In the interest of all stakeholders’ health and safety and consistent with recent COVID-19 guidelines issued by the Government of Hong Kong, 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 forms of proxy 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.

LETTER FROM THE BOARD



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

Executive Directors:

Mr. Lo Lin Shing, Simon (*Chairman*)
Ms. Yvette Ong (*Managing Director*)
Mr. Lo, Rex Cze Kei
Mr. Lo, Chris Cze Wai

Registered office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. To Hin Tsun, Gerald
Mr. Tang Chi Kei

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

17th Floor
118 Connaught Road West
Hong Kong

Independent Non-executive Directors:

Mr. Tsui Hing Chuen, William *JP*
Mr. Lau Wai Piu
Mr. Lee Kee Wai, Frank

10 November 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATE TO ISSUE NEW SHARES,
ADOPTION OF NEW SHARE OPTION SCHEME,
PROPOSED AMENDMENTS TO THE BYE-LAWS,
PROPOSED FIXING OF THE MAXIMUM NUMBER OF
DIRECTORS AND AUTHORISING DIRECTORS TO APPOINT
ADDITIONAL DIRECTORS UP TO THE MAXIMUM NUMBER
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you details of the following proposals which, together with other ordinary businesses, will be proposed at the AGM for consideration and, where appropriate, approval by the Shareholders:

- (i) re-election of retiring Directors;

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- (ii) grant of the General Mandate;
- (iii) proposed adoption of New Share Option Scheme;
- (iv) the Proposed Amendments and the proposed adoption of the New Bye-laws; and
- (v) the proposed fixing of the maximum number of Directors and proposed granting of authorisation to Directors to appoint additional Directors up to the maximum numbers.

The Notice of AGM is set out on pages 102 to 106 of this circular.

2. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 87 of the Bye-laws, Mr. Lo Lin Shing, Simon, Mr. Lau Wai Piu, and Mr. Tsui Hing Chuen, William *JP* shall retire from office by rotation at the AGM. Pursuant to Bye-law 86(2) of the Bye-laws, Mr. Tang Chi Kei who was appointed as a non-executive Director on 10 November 2021, shall hold office until the AGM and shall be eligible for re-election at the AGM. All the retiring Directors, being eligible, will offer themselves for re-election at the AGM. Pursuant to Rule 13.74 of the Listing Rules, the details of the above retiring Directors as required under Rule 13.51(2) of the Listing Rules are set out in the Appendix I to this circular.

Both of Mr. Lau Wai Piu and Mr. Tsui Hing Chuen, William *JP*, Independent Non-executive Directors, have been serving the Company for more than 9 years. Mr. Lau and Mr. Tsui have confirmed in writing to the Company their independence in accordance with the Listing Rules (“**Confirmation**”).

The Board has reviewed its structure and composition, the Confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s Diversity Policy, Nomination Policy for Recruitment of Board Members, Terms of Reference of Nomination Committee and the Company’s corporate strategy, and the independence of all independent non-executive Directors. The Board has recommended the re-election of all the retiring Directors including Mr. Lau and Mr. Tsui who are due to retire at the AGM. The Board is not aware of any circumstances which are likely to affect Mr. Lau’s and Mr. Tsui’s independence as independent non-executive Directors even though they have served the Company for more than 9 years.

Based on Mr. Lau’s and Mr. Tsui’s background and their Confirmations, the Board is of the view that they are able to continue to fulfil their independent role as required. Mr. Lau and Mr. Tsui have not been involved in any day-to-day management role in the Company nor in any relationships which would interfere with the exercise of their independent judgement. The Company considers that the continuous appointment of Mr. Lau and Mr. Tsui as Independent Non-executive Directors will help to maintain the stability of the Board as they will continue to

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bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. Furthermore, Mr. Lau and Mr. Tsui are fully aware that they are responsible for performing functions and discharging duties to the Company through active participation in the Board's meetings by bringing balance of views as well as knowledge, experience and expertise. Given their historical attendance records, the qualifications and professional experience of Mr. Lau and Mr. Tsui, the Board is of the view that the continuing service of Mr. Lau and Mr. Tsui in the Company is beneficial to the Group and thus considers that Mr. Lau and Mr. Tsui should be re-elected at the AGM.

3. GENERAL MANDATE

The current general mandate granted to the Directors to issue Shares will expire at the conclusion of the AGM. In order to provide flexibility and discretion to the Directors to issue new Shares, an ordinary resolution will be proposed at the AGM to approve the granting of general mandate to the Directors to allot, issue and deal with new Shares of up to an amount not exceeding 20% of the Share Capital at the time of passing such resolution.

As at the Latest Practicable Date, the Share Capital of the Company comprised 188,125,849 Shares. Subject to the passing of the resolution to approve the General Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 37,625,169 new Shares under the General Mandate, representing 20% of the total number of the issued Shares as at the date of the AGM.

4. PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

The Old Share Option Scheme was adopted by the Company on 30 August 2012 and expired on 29 August 2022. Therefore, the Directors propose to adopt the New Share Option Scheme, the principal terms of which are set out in Appendix II to this circular. The New Share Option Scheme follows and complies with rules under New Chapter 17. The adoption of the New Share Option Scheme is conditional upon the approval of the adoption of the New Share Option Scheme by the Shareholders at the AGM.

The purposes of the New Share Option Scheme are:

- (a) to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group; and
- (b) to provide an incentive or reward to the Eligible Persons for their contributions to the growth and development, and continuing efforts to promote the interests, of the Group.

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The Directors consider that the New Share Option Scheme will provide the Grantees with the opportunity to acquire proprietary interests in the Company and will encourage the Grantees to work towards enhancing the value of the Company and the Shares for the benefits of the Company and the Shareholders as a whole.

Before making an offer to any Eligible Person for grant of any Option, the Board may consider such factors including their skill, knowledge, educational and professional qualifications, expertise, experience, contribution made or expected to be made to the growth of the Group or extent of business opportunities introduced to the Group. The Board is more inclined and willing to grant Options to such parties having the attributes required by the Group in the running and development of the Group's businesses. Based on the aforesaid, the Board considers that the inclusion of directors and employees of the Group as the Eligible Persons is fair and reasonable and in the interests of the Company and the Shareholders as a whole, and will enable the purposes of the New Share Option Scheme to be achieved.

In order to encourage Grantees to stay with the Group and contribute to the growth and development, and continuing efforts to promote the interests, of the Group which are part of the purposes of the New Share Option Scheme, the New Share Option Scheme requires that there shall be a vesting period of not less than 13 months for which an Option must be held before such Option may be exercised. A Grantee may exercise an Option during such period as may be determined by the Board (the period shall not be more than ten (10) years from the date of grant of the Options). Further, under the New Share Option Scheme, Options can be exercised at an exercise price determined by the Board and notified to an Eligible Person which must be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant (which must be a Business Day); and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the date of grant. The New Share Option Scheme does not provide any specific performance targets that need to be met before a Grantee is entitled to exercise an Option duly granted. The New Share Option Scheme does not contain any clawback mechanism to recover or withhold the remuneration (which may include options or awards granted) to any Grantee in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances. However, the New Share Option Scheme does provide that if the Grantee is summarily dismissed for misconduct or appears unable to pay his debts or becomes insolvent or is convicted of any criminal offence involving his integrity or honesty, his right to exercise the Options shall terminate immediately. The Board shall consider all relevant factors when granting an Offer to an Eligible Person and make reasonable assessment on such Eligible Person before granting an Offer. Taking into account the aforesaid, the vesting period of not less than 13 months and the conditions to an Offer set out in paragraph below, the Directors consider that such terms will enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group.

LETTER FROM THE BOARD

Under the New Share Option Scheme, an Offer shall be conditional on, among other things, an Eligible Person, whether he is an existing or proposed employee, having joined a member of the Group for at least three (3) years consecutively before an Option could be exercised. It will also be a condition to an Offer that the approval of the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of the Options granted having been obtained from the Listing Committee of the Stock Exchange, or else the relevant Offer shall automatically lapse. If the Eligible Person is a proposed employee, the relevant Offer will specify a date by which the Eligible Person must become an employee of a member of the Group or else the Offer shall automatically lapse. Upon lapse of an Offer, the right to exercise all or any Option (to the extent not already exercised) held by the relevant Grantee shall terminate immediately. The rules of the New Share Option Scheme further provide that the Board may determine, at its sole discretion, such other terms and conditions on an Offer. This determination may vary on a case by case basis but such conditions will not be inconsistent with any terms and conditions of the New Share Option Scheme. The basis for the determination of the subscription price is specified in the rules of the New Share Option Scheme.

The Directors consider that the above terms and conditions of the New Share Option Scheme will assist the Group in recruiting and retaining talented professionals and high calibre employees, provide incentive or reward to the Eligible Persons for their contributions to the growth and development of the Group and thus support the fulfilment of the purposes of the New Share Option Scheme.

Comparing with the one-off cash reward, the Board considers that the Options, in form of non-cash reward, will provide incentives for continuous contribution from the Eligible Persons. The grant of Options under the New Share Option Scheme will provide incentive to the employees and directors of the Group and help develop and foster a solid relationship between the Eligible Persons and the Group in the long run.

The Company is an investment holding company. The Group's principal business is coal mining and exploration which is operated by the Company's indirect wholly-owned subsidiary in Mongolia and the Group's principal project is the Khushuut Coking Coal Project in Western Mongolia. The Group sells coking coal and thermal coal to customers in the PRC and Mongolia and is desirous to have all classes of talented people to assist its growth. The Board believes that through the grant of Options, the relevant Eligible Persons will have a common goal as the Group in the growth and development of the Group's businesses, and they could participate in the future prospect of the Group and share the additional reward through their sustainable contribution.

As at the Latest Practicable Date, the Company had 188,125,849 Shares in issue and the Company did not have any share scheme involving the grant of new Shares or funded by existing Shares. Assuming no further Shares will be issued or repurchased prior to the date of the AGM, the total number of Shares which may be issued upon exercise of all Options which may be

LETTER FROM THE BOARD

granted under the New Share Option Scheme and any other schemes of the Company would be 18,812,584 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date.

None of the Directors is a trustee of the New Share Option Scheme or has any direct or indirect interest in the trustees (if any) of the New Share Option Scheme.

A copy of the New Share Option Scheme will be published on the websites of the Company and the Stock Exchange, and is also available for inspection at 17th Floor, 118 Connaught Road West, Hong Kong during the normal business hours from the date of this circular and up to and including the date of the AGM, and it will also be available for inspection at the AGM.

5. THE OLD SHARE OPTION SCHEME

The Old Share Option Scheme expired on 29 August 2022.

As at the Latest Practicable Date, the Company had a total of 16,300,000 share options remained outstanding under the Old Share Option Scheme (the “**Existing Options**”). In respect of the details of the Existing Options granted, please refer to the table set out in Appendix III to this circular for their respective dates of grant, exercise periods, exercise prices and vesting periods (if applicable).

As the Old Share Option Scheme has been expired, no further options would be offered under the Old Share Option Scheme but the Old Share Option Scheme would in other respects remain in force to the extent necessary to give effect to the exercise of the outstanding Existing Options. Any outstanding Existing Options will continue to be valid and exercisable in accordance with the terms of the Old Share Option Scheme.

Other than the Old Share Option Scheme, the Company has not adopted any other share scheme involving the grant by the Company of options over new Shares or other new securities of the Company to, or for the benefit of, specified participants of such schemes or share schemes that are funded by existing Shares.

6. PROPOSED AMENDMENTS TO THE BYE-LAWS

The Board proposes to seek the approval of the Shareholders at the AGM for the Proposed Amendments to the Bye-laws by way of adoption of the New Bye-laws in substitution for and to the exclusion of the Bye-laws in order to, amongst others, (i) comply with the Core Shareholder Protection Standards as set out in Appendix 3 of the Listing Rules; (ii) allow general meetings of the Company to be held as hybrid meetings or electronic meetings where Shareholders may attend by electronic means in addition to or in place of attending physical meetings in person; and (iii) incorporate housekeeping amendments. In view of the number of amendments proposed

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to be made to the Bye-laws, the Board proposes that the New Bye-laws be adopted as the bye-laws of the Company in substitution for and to the exclusion of the Bye-laws. Some of the major changes brought about by the proposed adoption of the New Bye-laws are set out below:

- (1) to require that an annual general meeting of the Company be held within six months after the end of the Company's financial year;
- (2) to require notice of annual general meeting shall not be less than twenty-one (21) clear days and notice of all other general meetings shall not be less than fourteen (14) clear days;
- (3) to specifically permit all Shareholders to speak and vote at a general meeting;
- (4) to provide that an auditor of the Company shall hold office until the next annual general meeting and shall then be subject to appointment by the Shareholders at such remuneration to be determined by the Shareholders in general meeting or in such manner as the Shareholders may determine;
- (5) to require a resolution passed by a majority of not less than two-thirds of the votes cast at a general meeting of the Company for removal of the Company's auditor before the expiration of its term of office; and
- (6) to allow general meetings of the Company to be held as hybrid meetings or electronic meetings.

The New Bye-laws showing the Proposed Amendments are set out in Appendix IV to this circular. The Proposed Amendments and the proposed adoption of the New Bye-laws are subject to the approval of the Shareholders by way of a special resolution at the AGM. The legal adviser to the Company as to Hong Kong laws has confirmed that the New Bye-laws do not contravene the requirements of the Listing Rules and the legal adviser to the Company as to Bermuda laws has confirmed that the New Bye-laws do not violate the Bermuda laws. The Company also confirms that there is nothing unusual about the New Bye-laws. Shareholders are advised that the Chinese translation of the New Bye-laws is for reference purpose only. In case of any inconsistency between the English version and the Chinese version, the English version shall prevail.

7. PROPOSED FIXING OF THE MAXIMUM NUMBER OF DIRECTORS AND AUTHORISING DIRECTORS TO APPOINT ADDITIONAL DIRECTORS UP TO SUCH MAXIMUM NUMBER

Bye-law 86(1) of the Bye-laws provides that the number of Directors shall not be less than four (4), and Section 91(1A) of the Act provides that a maximum number of Directors may be determined by the Shareholders at a general meeting of the Company. It is also set out in Bye-law 86(2) that the Directors shall have the power from time to time and at any time to appoint

LETTER FROM THE BOARD

any person as a Director as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. To allow flexibility to any possible further changes to the composition of the Board in the future, ordinary resolution will be proposed at the AGM to fix the maximum number of Directors at 15, and to authorise Directors to appoint any person as a Director as an addition to the existing Board up to the maximum number so determined. Based on the advice of the Bermuda legal adviser of the Company, the Board considers that the proposal to fix a maximum number of Directors and to authorise Directors to appoint any additional Directors up to such maximum number complies with the Bye-laws and the Act and is in the best interests of the Company and the Shareholders as a whole.

8. NOTICE OF AGM

The Notice of AGM is set out on pages 102 to 106 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so desire.

9. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of such meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM will therefore put all resolutions to be proposed at the AGM to be voted by way of poll. An announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules. None of the Shareholders is required to abstain from voting on the resolutions to be proposed at the AGM pursuant to the Listing Rules and/or the Bye-laws.

10. CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM, the Register of Members of the Company (the "**Register of Members**") will be closed from Wednesday, 7 December 2022 to Monday, 12 December 2022, both dates inclusive, during which period no transfers of shares will be effected. In order to qualify for voting at the forthcoming AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 6 December 2022.

LETTER FROM THE BOARD

11. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

12. RECOMMENDATION

The Board considers that the re-election of the retiring Directors, the granting of the General Mandate, proposed adoption of the New Share Option Scheme, the Proposed Amendments and the proposed adoption of the New Bye-laws and the proposed fixing of the maximum number of Directors and authorising Directors to appoint additional Directors up to the maximum numbers are in the best interests of the Company and the Shareholders as a whole. The Board recommends the Shareholders to vote in favour of all the proposed resolutions at the AGM.

13. GENERAL

Your attention is drawn to the additional information set out in the appendixes to this circular.

Yours faithfully
By Order of the Board
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

The biographical and other details of the retiring Directors standing for re-election at the AGM are set out as below:

(1) MR. LO LIN SHING, SIMON – EXECUTIVE DIRECTOR

Mr. Lo, aged 66, an entrepreneur, is the Chairman of the Company. He has been an executive Director since August 1999. Mr. Lo identifies business opportunities for MEC, including the acquisition of the coal mine in Western Mongolia, and provides business and strategic directions. He possesses over 30 years of experience in the financial, securities and futures industries, including many trans-border transactions. He is the father of Mr. Lo, Rex Cze Kei and Mr. Lo, Chris Cze Wai, both are executive Directors of the Company. Mr. Lo is a director of certain subsidiaries of the Company. He is also the chairman and executive director of Vision Values Holdings Limited which is listed on the Stock Exchange.

Mr. Lo has a service contract with the Company for a fixed term of three years, commencing on 1 April 2022 and expiring on 31 March 2025, with a monthly remuneration at HK\$500,000 and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. In 2010, Mr. Lo was censured by the Listing Committee of the Stock Exchange for breach of the Rule 3.08(f) of the Listing Rules for failing to apply such degree of skill, care and diligence as may reasonably be expected of a person of his knowledge and experience and holding his office within the Company; and the Director's Undertaking: (i) to comply with the Listing Rules to the best of his ability; and (ii) use best endeavours to procure the Company's compliance with the Listing Rules.

As at the Latest Practicable Date, Mr. Lo (i) has interests in 30,319,707 Shares (124,000 Shares on an individual basis, 43,750 Shares being interest of Ms. Ku Ming Mei, Rouisa, spouse of Mr. Lo, and 30,151,957 Shares being interest of Golden Infinity Co., Ltd., a company wholly-owned by Mr. Lo), representing approximately 16.12% of the Share Capital and (ii) held the share options granted by the Company to subscribe for 1,800,000 Shares under the Old Share Option Scheme within the meaning of Part XV of the SFO. Save as disclosed above, as at the Latest Practicable Date, Mr. Lo had no or deemed to have interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

(2) MR. TANG CHI KEI (“MR TANG”) – NON-EXECUTIVE DIRECTOR

Mr. Tang, aged 57, has been appointed as a non-executive director of the Company since November 2021. He has served as the company secretary and the chief financial officer of the Company since July 2004. He is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Tang has over 30 years of experience in accounting and financial management. He is a director of certain subsidiaries of the Company. He is also a company secretary of Vision Values Holdings Limited which is listed on the Stock Exchange.

Mr. Tang has not entered into any service contract with the Company and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. He is entitled to Director's fee which is determined by reference to his duties and responsibilities with the Company, subject to review by the Board from time to time. Save as aforesaid, Mr. Tang has not had other forms of remuneration.

As at the Latest Practicable Date, Mr. Tang (i) has interests in 2,300 Shares, representing approximately 0.001% of the Share Capital and (ii) held the share options granted by the Company to subscribe for 500,000 Shares under the Old Share Option Scheme within the meaning of Part XV of the SFO. Save as disclosed above, as at the Latest Practicable Date, Mr. Tang had no or deemed to have interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

(3) MR. LAU WAI PIU – INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lau, aged 58, has been an independent non-executive Director since September 2004. He has over 20 years of extensive experience in accounting and financial management. Mr. Lau is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. He is also an independent non-executive director of Vision Values Holdings Limited which is listed on the Stock Exchange. Besides, he was an independent non-executive director of Haitong International Securities Group Limited and he retired on 28 May 2021.

Mr. Lau has not entered into any service contract with the Company and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. He is entitled to a remuneration of HK\$100,000 per annum, which is determined by reference to his duties and responsibilities with the Company, subject to review by the Board from time to time. Save as aforesaid, Mr. Lau has not had other forms of remuneration.

As at the Latest Practicable Date, Mr. Lau (i) has interests in 5,030 Shares, representing approximately 0.003% of the Share Capital and (ii) held the share options granted by the Company to subscribe for 500,000 Shares under the Old Share Option Scheme within the meaning of Part XV of the SFO. Save as disclosed above, as at the Latest Practicable Date, Mr. Lau had no or deemed to have interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

**(4) MR. TSUI HING CHUEN, WILLIAM JP – INDEPENDENT NON-EXECUTIVE
DIRECTOR**

Mr. Tsui, aged 71, has been appointed as an independent non-executive Director since September 2006. He is the founding partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries, which was established in 1980. Mr. Tsui has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England & Wales since 1981, and a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor in Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. Tsui was appointed as a Justice of the Peace by the Government of Hong Kong in 1997. He was admitted to the Roll of Honour of the Law Society of Hong Kong in 2013. Mr. Tsui is also an independent non-executive director of Vision Values Holdings Limited which is listed on the Stock Exchange. Besides, he was an independent non-executive director of Haitong International Securities Group Limited and he retired on 28 May 2021.

Mr. Tsui has not entered into any service contract with the Company and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. He is entitled to a remuneration of HK\$100,000 per annum, which is determined by reference to his duties and responsibilities with the Company, subject to review by the Board from time to time. Save as aforesaid, Mr. Tsui has not had other forms of remuneration.

As at the Latest Practicable Date, Mr. Tsui (i) has interests in 135,000 Shares, representing approximately 0.007% of the Share Capital and (ii) held the share options granted by the Company to subscribe for 500,000 Shares within under the Old Share Option Scheme the meaning of Part XV of the SFO. Save as disclosed above, as at the Latest Practicable Date, Mr. Tang had no or deemed to have interest in any Shares or underlying Shares pursuant to Part XV of the SFO.

Save as disclosed above, each of the retiring Directors does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; each of them did not hold any directorships in any other listed public companies in the last three years immediately prior to the Latest Practicable Date. In addition, there is no other information concerning the retiring Directors that need to be brought to the attention of the Shareholders nor any information required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved by the Shareholders at the AGM. For the purpose of this Appendix II, references to rules under the Listing Rules are, unless otherwise stated, references to rules under the Listing Rules as supplemented and amended by the Amended Rules which will be effective on 1 January 2023.

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purposes of the New Share Option Scheme are:

- (i) to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group; and
- (ii) to provide an incentive or reward to the Eligible Persons for their contributions to the growth and development, and continuing efforts to promote the interests, of the Group.

2. WHO MAY JOIN

The Eligible Person for the New Share Option Scheme include:

- (i) any employee or proposed employee (whether full time or part time) or executive, including executive director, of any member of the Group (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with these companies); or
- (ii) any non-executive director (including independent non-executive directors) of any member of the Group.

Subject to the provisions in the New Share Option Scheme, the Board may in its absolute discretion make an offer to any Eligible Person for grant of an Option at a price determined in accordance with paragraph 3 below.

3. PRICE OF SHARES

Options may be granted at an initial payment of HK\$1.00 for each acceptance of grant of the Option(s) and can be exercised at an exercise price determined by the Board and notified to an Eligible Person (subject to adjustments as provided in the rules of the New Share Option Scheme and the Listing Rules and shall at all times not be lower than the nominal value of a Share) and must be at least the higher of: (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a Business Day; and (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the date of grant.

4. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

Initially, the maximum aggregate number of Shares which may be issued in respect of all Options and awards to be granted under the New Share Option Scheme and any other schemes of the Company (the “**Scheme Mandate Limit**”) shall not exceed 10% of the Shares in issue as at the Adoption Date. Options or awards lapsed in accordance with the terms of the relevant schemes will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting after three years from the date of the Shareholders’ approval for the last refreshment (or the Adoption Date), provided that:

- (i) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of such Shareholders’ approval of the refreshment of the Scheme Mandate Limit;
- (ii) Options or awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit; and
- (iii) a circular regarding the proposed refreshment of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of New Chapter 17.

Further to the requirements set out in the paragraph above, the Scheme Mandate Limit may, subject to the following provisions, be refreshed by ordinary resolution of the Shareholders in general meeting within three years from the date of the Shareholders’ approval for the last refreshment (or the Adoption Date):

- (i) any Controlling Shareholder (as defined in the Listing Rules) and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules;

Provided that the requirements above do not apply if the refreshment is made immediately after an issue of Shares by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of the Shares, rounded to the nearest whole Share.

If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in a general meeting, the maximum number of Shares that may be issued in respect of all Options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole Share.

The maximum number of Shares (issued and to be issued) in respect of all Options and awards granted under the New Share Option Scheme and any other schemes of the Company to any Eligible Person (excluding any options and awards lapsed in accordance with the terms of the relevant scheme(s) of the Company) in any 12-month period up to and including the date of such grant must not exceed 1% of the total number of Shares in issue from time to time unless such grant is duly approved by an ordinary resolution of the Shareholders in general meeting at which the relevant Eligible Person and his close associates (or his associates if the Eligible Person is a connected person) shall abstain from voting and the Company shall send a circular to the Shareholders and the circular must disclose the identity of the Eligible Person(s), the number and terms of the Options to be granted (and those previously granted to such Eligible Person(s) in the 12-month period), the purpose of granting Options to such Eligible Person(s) and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted must be fixed before Shareholders' approval.

The Company may not grant any Option after any inside information has come to the Company's knowledge, until (and including) the trading day after such inside information has been announced in accordance with the Listing Rules. In particular, no Option may be granted during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for the approval of the Company's interim or annual results; and (ii) the deadline for the Company to publish its interim or annual results announcement, and ending on the date of the relevant results announcement. No Options may be granted during any period of delay in publishing a results announcement.

5. GRANT OF THE OPTIONS TO CONNECTED PERSONS

Any grant of Options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates under the New Share Option Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a prospective Grantee of the Options).

Where the Options are proposed to be granted to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates, and the proposed grant of Options, if exercised in full, would result in the total number of Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in

accordance with the terms of the relevant scheme(s) of the Company) to such Eligible Person in the past 12-month period up to and including the date of such grant, representing in aggregate more than 0.1% of the total number of issued Shares, the proposed grant shall be subject to the issue of a circular containing information required under Rule 17.04(5) of the Listing Rules and the approval of the Shareholders in general meeting (taken on a poll) in accordance with the requirements of the Listing Rules at which such Eligible Person, his associates and all core connected persons of the Company must abstain from voting (but they may vote against the resolution at the general meeting provided that their intention to do so has been stated in the circular).

6. TIME FOR EXERCISE OF THE OPTIONS

The Grantee may exercise the Options during such period as may be determined by the Board (the period shall not be more than ten (10) years from the date of grant of the Options). The New Share Option Scheme also requires that there shall be a vesting period of not less than 13 months for which an Option must be held before such Option may be exercised.

7. PERFORMANCE TARGETS

The New Share Option Scheme does not provide any specific performance targets that need to be met before a Grantee is entitled to exercise an Option duly granted. The Board may in its absolute discretion specify such condition(s) as it thinks fit when making an Offer to an Eligible Person.

8. CONDITION TO OFFER

Under the New Share Option Scheme, an Offer shall be conditional on an Eligible Person, whether he is an existing or proposed employee, having joined a member of the Group for at least three (3) years consecutively before an Option may be exercised. It will also be a condition to an Offer that the approval of the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of the Options granted having been obtained from the Listing Committee of the Stock Exchange, or else the relevant Offer shall automatically lapse. If the Eligible Person is a proposed employee, the relevant Offer will specify a date by which the Eligible Person must become an employee of a member of the Group or else the Offer shall automatically lapse. When making an Offer, the Board may also specify any other conditions upon which an Option is granted and/or other conditions which must be satisfied before the Option may be exercised.

9. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee of the Option and shall not be assignable nor transferable.

10. RIGHTS ON CEASING TO BE AN ELIGIBLE PERSON

Subject to the provisions in the paragraphs 11 and 12 below, if a Grantee ceases to be an Eligible Person for any reason, and (i) if he is an employee of any member of the Group, the option can be exercised within one (1) month after his last actual working day with the Group whether salary is paid in lieu of notice or not; or (ii) if he ceases to be an employee of any member of the Group by reason of retirement, the Option can be exercised within twelve (12) months after his last actual working day with such member of the Group, and in either case on or before the expiry of the relevant option period and the Board's decision in that regard shall be final, conclusive and binding on the parties concerned.

11. RIGHTS ON DEATH OR ILL-HEALTH

If the Grantee of an outstanding Option (i) ceases to be an Eligible Person by reasons of ill-health, injury or disability (all evidenced to the satisfaction of the Board); or (ii) dies before exercising the Option in full or at all, and none of the events which would be a ground of termination of his employment or engagement or directorship under paragraph 12 below, the Option can only be exercised up to the entitlement of such Grantee by him or by his personal representative(s) within twelve (12) months after the date of ceasing to be an Eligible Person or death (as the case may be).

12. RIGHTS ON DISMISSAL OR BREACH OF CONTRACT

If the Grantee (if he is an employee of any member of the Group) (i) is summarily dismissed for misconduct or otherwise commits a breach of any terms of his employment or other contract constituting him an employee of any member of the Group, or (ii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or becomes insolvent or makes any arrangements or composition with his creditors generally; or (iii) is convicted of any criminal offence involving his integrity or honesty, his right to exercise all outstanding Options held by him shall thereupon terminate immediately. A resolution of the Board to the effect that one or more of the grounds specified in this paragraph has occurred shall be final, conclusive and binding on the Grantee.

If the Grantee (whether he is an employee of any member of the Group or not) (i) commits any breach of any contract entered into between the Grantee on the one part and the Group on the other part; or (ii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his or its debts or becomes insolvent or is subject to any liquidation or analogous proceedings or makes any arrangements or composition with his or its creditors generally; or (iii) is convicted of any criminal offence involving his or its integrity or honesty, the right to exercise all outstanding Options held by him or it shall thereupon terminate immediately. A resolution of the Board or its duly authorised committee to the effect that one or more of the grounds specified in this paragraph has occurred shall be final, conclusive and binding on the Grantee.

Nevertheless, the New Share Option Scheme does not contain any clawback mechanism to recover or withhold the remuneration (which may include options or awards granted) to any Grantee in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

13. EFFECT OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company, whether by way of capitalisation issue, rights issue, consolidation, or sub-division of Shares or reduction of the share capital of the Company (other than an issue and allotment of Shares as consideration in respect of a transaction to which any member of the Group is a party or an issue or allotment of Shares as part of a scrip dividend scheme or similar schemes or an issue and allotment of Shares pursuant to the New Share Option Scheme or any other schemes of the Company) whilst any Options remain exercisable, the Company shall make corresponding alterations (if any) to:

- (i) the number of Shares subject to Options already granted so far as they remain unexercised; and/or
- (ii) the subscription price; and/or
- (iii) the maximum number of Shares referred to in paragraph 4 above,

or any combination thereof as the auditor of the Company or the independent financial adviser (licensed to conduct type 6 activity under the SFO) to the Company shall at the request of the Company certify in writing to the Board either generally or as regards any particular Grantee that the adjustments are in their opinion fair and reasonable and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange. Further, it is provided that:

- (i) any such alteration shall be made so that each Grantee is given the same proportion of the equity capital of the Company, rounded to the nearest Share, as that to which he was previously entitled;
- (ii) no such alterations shall be made which would result in the subscription price for a Share being less than its nominal value (if any);
- (iii) any such alterations, save as those made on a capitalisation issue, shall be confirmed by the auditor of the Company or the independent financial adviser in writing to the Directors as satisfying the requirements of the foregoing paragraphs (i) and (ii) above; and

- (iv) any such alterations made pursuant to a sub-division or consolidation of share capital shall be made on the basis that the aggregate subscription price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event.

14. RIGHTS ON A GENERAL OFFER

If a general offer is made by way of takeover, share repurchase offer or otherwise in a like manner to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry of the relevant option period, the Grantee can only, by notice in writing to the Company within twenty-one (21) days after such offer becoming or being declared unconditional, exercise the Option to its full extent or to the extent specified in such notice.

15. RIGHTS ON A SCHEME OF ARRANGEMENT

If a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Grantee can only thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the Options in full or in part.

16. RIGHTS ON WINDING UP

If a notice of a general meeting is given by the Company for the purposes of considering and approving a resolution to voluntarily wind-up the Company, each Grantee can only exercise all or any of his Options at any time not later than two (2) Business Days prior to the proposed general meeting of the Company. The right to exercise the Options shall, to the extent that they are not so exercised, terminate immediately on the date of commencement of the voluntary winding-up of the Company.

17. RANKING OF SHARES

Shares allotted upon exercise of the Options shall be subject to the Bye-laws for the time being in force and shall rank *pari passu* in all respects with the other Shares in issue at the relevant date of allotment of the Shares and will entitle the holders to have the same voting, transfer and other rights including those arising on liquidation of the Company, and participate in all dividends or other distributions paid or made on or after the date of allotment of the Shares other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date is before the date of allotment of the Shares. A Share issued upon exercise of an Option shall not carry any voting right until the registration of the Grantee as the holder of such Share on the register of members of the Company. No dividends (including distributions made upon the liquidation of the Company) will be payable and no voting rights will be exercisable in relation to any Options that have not been exercised.

18. PERIOD OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from and on its Adoption Date (subject to early termination in accordance with the provisions thereof).

19. VARIATION AND TERMINATION

The New Share Option Scheme may be altered in any respect by a resolution of the Board except that any alteration as to:

- (i) the definitions of the Grantee, Eligible Person and subscription price;
- (ii) the terms and conditions of the New Share Option Scheme which are of a material nature; and
- (iii) the provisions relating to the matters set out in Rule 17.03 of the Listing Rules including those relating to the purpose, duration and administration of the New Share Option Scheme, grant of the Options (except for the provision that an offer may be accepted in full or in part and the requirements that the offer shall be in writing and shall contain the terms of the offer), subscription price, exercise of the Options, lapse of the Options, maximum number of Shares available for subscription, reorganisation of capital structure, alteration of the New Share Option Scheme to the advantage of the Grantees or prospective Grantees, cancellation of the Options granted and termination;

must be approved by the Shareholders in general meeting (with such Grantees or the prospective Grantees and their respective associates abstained from voting). No such alterations shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the Grantees as would be required of the Shareholders under the Bye-laws for the time being for a variation of the rights attached to the Shares.

Any change to the terms of Options granted to a Grantee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), except where alterations take effect automatically under the provisions of the New Share Option Scheme. The amended terms of (i) the New Share Option Scheme, or (ii) the Options must still comply with the relevant requirements of New Chapter 17. Any change to the authority of the Board to alter the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.

The Company, by an ordinary resolution in general meeting, or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Option will be offered but the Options granted prior to such termination but not yet exercised or in respect of which Shares are not yet issued to the Grantee shall continue to be valid and exercisable in accordance with their terms of issue and the provisions of the New Share Option Scheme shall remain in full force and effect in respect thereof.

20. LAPSE OF OPTIONS

The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (i) the expiry of the option period as described in paragraph 6 above;
- (ii) the lapse of the Option referred to in paragraph 8 above;
- (iii) the expiry of any of the periods referred to in paragraphs 10, 11, 12 and 14 above;
- (iv) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph 15 above;
- (v) subject to the provision in paragraph 16 above, the date of the commencement of the voluntary winding-up of the Company; or
- (vi) the date on which the Grantee commits a breach of the provisions of the New Share Option Scheme that an Option shall be personal to the Grantee and shall not be assignable nor transferable and that no Grantee shall sell, transfer, charge, mortgage or encumber or create any interest in favour of a third party over or in relation to any Option.

21. CANCELLATION OF UNEXERCISED OPTIONS

Subject to the consent of the Grantee, the Company may cancel an Option previously granted to and yet to be exercised by such Grantee. No Options may be granted to an Eligible Person in place of his cancelled Options unless there are available unissued Options within the Scheme Mandate Limit approved by the Shareholders as mentioned in paragraph 4 above. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

APPENDIX III
OUTSTANDING SHARE OPTIONS

Name or category of participants	Date of Grant	Exercise Price HK\$ (note)	Exercise period	Vesting Period	As at 1 April 2021	Number of shares subject to options			As at the Latest Practicable Date
						Granted during 1 April 2021 to the Latest Practicable Date	Lapsed during 1 April 2021 to the Latest Practicable Date	Exercised during 1 April 2021 to the Latest Practicable Date	
Mr. Lo	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	1,800,000	-	(1,800,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	1,800,000	-	-	-	1,800,000
Ms. Yvette Ong	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	1,000,000	-	(1,000,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	1,800,000	-	-	-	1,800,000
Mr. Lo, Rex Cze Kei	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	1,500,000	-	(1,500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	1,500,000	-	-	-	1,500,000
Mr. Lo, Chris Cze Wai	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	1,500,000	-	-	-	1,500,000
Mr. To Hin Tsun, Gerald	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	500,000	-	(500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	500,000	-	-	-	500,000
Mr. Tang Chi Kei (appointed on 10 November 2021)	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	500,000	-	(500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	500,000	-	-	-	500,000
Mr. Tsui Hing Chuen, William JP	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	500,000	-	(500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	500,000	-	-	-	500,000
Mr. Lau Wai Piu	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	500,000	-	(500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	500,000	-	-	-	500,000
Mr. Lee Kee Wai, Frank	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	500,000	-	(500,000)	-	-
	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	500,000	-	-	-	500,000
Employees in aggregate	01-09-2017	2.260	01-09-2017 to 31-08-2022	N/A	7,200,000	-	(7,200,000)	-	-
(including a director of certain subsidiaries)	18-01-2021	1.310	18-01-2021 to 17-01-2026	N/A	7,400,000	-	(200,000)	-	7,200,000
TOTAL					30,500,000	-	(14,200,000)	-	16,300,000

The following are the details of the Proposed Amendments. Unless otherwise specified, clauses, paragraphs and bye-law numbers referred to herein are clauses, paragraphs and bye-law numbers of the New Bye-laws. If the serial numbering of the clauses of the Bye-laws is changed due to the addition, deletion or re-arrangement of certain clauses made in these amendments, the serial numbering of the clauses of the Bye-laws as so amended shall be changed accordingly, including cross-references.

Note: The New Bye-laws are prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any inconsistency, the English version shall prevail.

INTERPRETATION

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

WORD	MEANING
“Act”	the Companies Act 1981 of Bermuda, as amended from time to time.
“associate” ⁴ “ <u>announcement</u> ”	the meaning attributed to it in the rules of the Designated Stock Exchange. <u>an official publication of a Notice or document of the Company, including a publication, subject to and to such extent permitted by the Listing Rules, by electronic communication or by advertisement published in the newspapers or in such manner or means ascribed and permitted by the Listing Rules and applicable laws.</u>
“Auditor”	the auditor of the Company for the time being and may include any individual or partnership.

⁴ *As added/amended by Special Resolution passed on 23rd August 2004.*

“business day” ⁺	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.
“Bye-laws”	these Bye-laws in their present form or as supplemented or amended <u>or substituted</u> from time to time.
“Board” or “Directors”	the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present.
“capital” ⁺	the share capital of the Company from time to time.
“clear days”	in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
<u>“clearing house”</u>	<u>a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.</u>
<u>“close associate”</u>	<u>in relation to any Director, shall have the same meaning as defined in the Listing Rules as modified from time to time, except that for purposes of Bye-law 104 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u>

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

“Company” ⁺	Mongolia Energy Corporation Limited (formerly known as New World CyberBase Limited, Paul Y. Properties Group Limited and Uniworld Holdings Limited).
“Company’s website” ⁺	shall mean the website of the Company, the address or domain name of which the corporation information of the Company is hoisted.
<u>“competent regulatory authority”</u>	<u>a competent regulatory authority in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory.</u>
“debenture” and “debenture holder”	include debenture stock and debenture stockholder respectively.
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.
“dollars” and “\$”	dollars, the legal currency of Hong Kong.
<u>“electronic communication”</u>	<u>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.</u>
<u>“electronic meeting”</u>	<u>a general meeting held and conducted wholly and exclusively by virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u>
“Head Office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

<u>“hybrid meeting”</u>	<u>a general meeting convened for the (i) physical attendance by Members and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u>
<u>“Listing Rules”</u>	<u>the rules and regulations of the Designated Stock Exchange.</u>
“Member”	a duly registered holder from time to time of the shares in the capital of the Company.
<u>“Meeting Location”</u>	<u>has the meaning given to it in Bye-law 64(A).</u>
“month”	a calendar month.
“Notice”	written notice unless otherwise specifically stated and as further defined in these Bye-laws.
“Office”	the registered office of the Company for the time being.
“paid up”	paid up or credited as paid up.
<u>“physical meeting”</u>	<u>a general meeting held and conducted by physical attendance and participation by Members and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations.</u>
<u>“Principal Meeting Place”</u>	<u>shall have the meaning given to it in Bye-law 59(2).</u>
“Register”	the <u>principal register and where applicable, any branch register</u> of Members of the Company to be kept pursuant to the provisions of the Act.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.

“Seal”	any one or more common seals of the Company for use in Bermuda or in any place outside Bermuda.
“Secretary”	any person firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, temporary or acting secretary.
“Statutes”	the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.
<u>“substantial shareholder”</u>	<u>a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company.</u>
“year”	a calendar year.

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

- (e)⁶ expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that ~~the same is available for download onto a user's computer or for printing through conventional small office equipment and, in each case, the Member concerned (where the relevant provision of these Bye-laws require the delivery or service of any document or notice on him in his capacity as Member) has elected for the receipt of the relevant document or notice through electronic means and~~ both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;
- (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
- (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;
- (h)⁺ a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members ~~as~~ are corporations, by their respective duly authorized representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59; ~~specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution;~~
- (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given~~held~~ in accordance with ~~these~~ Bye-laws 59;
- (j) 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; ~~and~~

⁶ ~~As added/amended by Special Resolution passed on 28th August 2002.~~

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

- (k)⁶ a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- ~~(k)~~(l) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not-;
- (m) references to the right of a Member to speak at an electronic meeting or a hybrid meeting shall include the right to raise questions or make statements to the chairman of the meeting, verbally or in written form, by means of electronic facilities. Such a right shall be deemed to have been duly exercised if the questions or statements may be heard or seen by all or only some of the persons present at the meeting (or only by the chairman of the meeting) in which event the chairman of the meeting shall relay the questions raised or the statements made verbatim to all persons present at the meeting, either orally or in writing using electronic facilities;
- (n) a reference to a meeting shall mean a meeting convened and held in any manner permitted by these Bye-laws and any Member or Director 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;
- (o) references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Bye-laws to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;
- (p) references to electronic facilities include, without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise); and

⁶ *As added/amended by Special Resolution passed on 28th August 2002.*

- (q) where a Member is a corporation, any reference in these Bye-laws to a Member shall, where the context requires, refer to a duly authorised representative of such Member.

SHARE CAPITAL

3. (1)⁺ The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into shares of par value of HK\$0.02 each.
- (2) Subject to the ~~Statutes~~Act, the Company's memorandum of association and, where applicable, the ~~rules of any Designated Stock Exchange Listing Rules and /or the rules of any competent regulatory authority~~, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (3) ~~Subject to the Statutes and, where applicable, the rules of any Designated Stock Exchange, the Company may in accordance with any scheme for the time being in force and approved by the Members in general meeting provide, directly or indirectly, money or other financial assistance for the purchase of, or subscription for, fully or partly paid shares in the Company or any holding company of the Company, being a purchase of or subscription for shares by a trustee of or to be held by or for the benefit of employees of the Company, any of its subsidiaries, any holding company of the Company or any subsidiary of any such holding company, in each such case whether incorporated in Bermuda or elsewhere including any directors holding a salaried employment or office with or in any such company and so that the residual beneficiary of any such trust may be or include a charitable object[Intentionally deleted].~~
- (4) Subject to compliance with the Listing Rules and any rules 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 to the Statutes and, where applicable, the rules of any Designated Stock Exchange, the Company may give financial assistance on such terms as the Board thinks fit to directors and bona fide employees of the Company, its subsidiaries and any holding company of the Company and/or any subsidiary of any such holding company, in each such case whether incorporated in Bermuda or elsewhere, in order that they may buy shares (fully or partly paid) in the Company or any holding company of the Company and such terms may include a provision stating that when a director ceases to be a director of, or an employee ceases to be employed by the Company or such other company, shares bought with such financial assistance shall or may be sold to the Company or such other company on such terms as the Board thinks fit.~~

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

ALTERATION OF CAPITAL

4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:
- (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
 - (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
 - (c)⁺ divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
 - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association (subject, nevertheless, to the Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; ~~and~~
 - (e) change the currency denomination of its share capital;
 - (f) make provision for the issue and allotment of shares which do not carry any voting rights; and
 - ~~(e)(g)~~ cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or; resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised or~~ issued share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve ~~in any manner permitted by law~~.
7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

SHARE RIGHTS

8. Subject to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.

9.⁴ Subject to Sections 42 and 43 of the Act, ~~these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares,~~ any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~

VARIATION OF RIGHTS

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

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

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

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

⁴ ~~As added/amended by Special Resolution passed on 23rd August 2004.~~

SHARES

12. (1) Subject to the Act, ~~and these Bye-laws, any direction that may be given by the Company in general meeting and, where applicable, the Listing Rules and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares,~~ the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of Members for any purpose whatsoever.
- (2) The Board may issue warrants or convertible securities or securities of similar nature ~~in registered form~~ conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.
13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Act. Subject to the Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
15. Subject to the Act and these Bye-laws, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors, or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.
- (2) Where a share stands in the names of two or more persons the person first named in the Register shall as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.
18. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.
- 19.⁷ Share certificates shall be issued within the relevant time limit as prescribed in the Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

⁷ *As added/amended by Special Resolution passed on 30th September 1997.*

20. (1)⁷ Upon every transfer of shares, the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Bye-law. If any of the shares included in the certificate so given up shall be retained by the transferor, a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.
- (2) The fee referred to in paragraph (1) above shall be an amount not exceeding such maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.
21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Designated Stock Exchange may determine to be the maximum payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors of the Company are satisfied beyond reasonable doubt that the original has been destroyed.

LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Bye-law.

⁷ *As added/amended by Special Resolution passed on 30th September 1997.*

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

CALLS ON SHARES

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

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

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

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

FORFEITURE OF SHARES

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

date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share.
40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
42. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

43. (1) The Company shall keep in one or more books a Register of its Members and shall enter therein the following particulars, that is to say:
 - (a) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
 - (b) the date on which each person was entered in the Register; and
 - (c) the date on which any person ceased to be a Member.
- (2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

44.⁺ ~~The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares by Members without charge, or to any other person upon a maximum payment of five (5) Bermuda dollars, at the Office or, if appropriate, at the Registration Office (as the case may be) upon a maximum payment of ten (10) dollars between 10 a.m. and 12 noon on every business day. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper to that effect, be closed for any time or times not exceeding in the whole thirty (30) days in each year.~~

RECORD DATES

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

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

TRANSFER OF SHARES

- 46.^{*} Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the Listing Rules or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand ~~only. The Board may resolve, either generally or in any particular case, upon request of or if~~ the transferor or transferee, to accept a mechanically executed transfer subject to such conditions is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may think fit approve from time to time.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Bye-law 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

^{*} *As added/amended by Special Resolution passed on 23rd September 1996.*

- (4) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement ~~is~~ the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act.
49. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless: -
- (a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
 - (b) the instrument of transfer is in respect of only one class of share;
 - (c) the instrument of transfer is lodged at the Office or such other place in Bermuda at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
 - (d) if applicable, the instrument of transfer is duly and properly stamped.
50. If the Board refuses to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.
51. The registration of transfers of shares or of any class of shares may, after notice has been given by announcement or by electronic communication or by advertisement in any newspapers in accordance with the requirements of any Designated Stock Exchange or by any means 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.

TRANSMISSION OF SHARES

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.
53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.
54. A person becoming entitled to a share by reason of the death or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 74(2) being met, such a person may vote at meetings.

UNTRACEABLE MEMBERS

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:
- (a) all cheques or warrants, 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;

- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (c) the Company, if so required by the Listing Rules governing the listing of shares on the Designated Stock Exchange, has given notice to and caused newspaper advertisement to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

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

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

GENERAL MEETINGS

- 56. ~~Subject to the Act, An~~ annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened and such of incorporation at such time (within a period of not more than fifteen (15) months after the holding of the last preceding 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 rules of ~~the~~any Designated Stock Exchange, if any) ~~and place as may be determined by the Board.~~

57. Each general meeting, other than an annual general meeting, shall be called a special general meeting. ~~All G~~general meetings ~~(including an annual general meeting, any adjourned meeting or postponed meeting)~~ may be held as a physical meeting in any part of the world and at one or more locations as provided in Bye-law 64A, as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion.
58. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company on a one vote per share basis shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or a resolution specified in such requisition be added to the agenda of the relevant special general meeting; 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 such physical meeting ~~de~~ ~~se~~ in accordance with the provisions of Section 75(3) of the Act.

NOTICE OF GENERAL MEETINGS

59. (1)⁺ An annual general meeting shall be called by Notice of not less than twenty-one (2021) clear business Ddays. ~~All other general meetings and (including any special general meeting) at which the passing of a special resolution is to be considered shall be by not less than ten (10) clear business days. All other special general meetings may~~ must be called by Notice of not less than ~~ten~~ fourteen (4014) clear days but if permitted by the ~~rules of the Designated Stock Exchange~~ Listing Rules, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting in nominal value of ~~all the issued shares giving that right~~ Members.

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

- (2) ~~The period of a~~Notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and 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 64A, the principal place of the meeting (the “Principal Meeting Place”), (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) particulars of resolutions to be considered at the meeting, in case of special business, the general nature of the business.~~ The ~~a~~Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than ~~to~~ such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.
60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. (1) All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.
- (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Three Members entitled to vote and present in person or by proxy or, for quorum purposes only, three persons appointed by the clearing house as~~(in the case of a member being a corporation) by its duly~~ authorised representative or proxy shall form a quorum for all purposes.

62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and (where applicable) same place(s) or to such time and (where applicable) such place(s) and in such form and manner referred to in Bye-law 57 as the chairman of the meeting (or in default, as the Board) may absolutely determine. If at ~~the~~ such adjourned meeting a quorum is not present within ~~thirty (30) minutes~~ half an hour from the time appointed for holding the meeting, ~~any two (2) persons entitled to be counted in a quorum present at the meeting shall be a quorum and may transact the business for which the meeting was called dissolved.~~
63. (1) 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 ~~President of the Company if there be one or the Chairman~~ shall preside as chairman at ~~every~~ general meeting. If at any meeting ~~the President or the Chairman, as the case may be, no chairman is not present~~ within fifteen (15) minutes after the time appointed for holding the meeting, or is willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or ~~if neither of them~~ is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the ~~Chairman~~ chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.
- (2) If the chairman of a general meeting is participating in the general meeting using an electronic facility or facilities and becomes unable to participate in the general meeting using such electronic facility or facilities, another person (determined in accordance with Bye-law 63(1) above) shall preside as chairman of the meeting unless and until the original chairman of the meeting is able to participate in the general meeting using the electronic facility or facilities.

64. ~~Subject to Bye-law 64C, The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice of the adjourned meeting shall be given specifying the details set out in Bye-law 59(2) time and place of the adjourned meeting 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. No business shall be transacted at any such adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.~~
- 64A (1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations ("Meeting Location(s)") determined by the Board at its absolute discretion. Any Member or any proxy attending and participating in such way or any Member 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 Member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
- (b) Members present in person or by proxy at a Meeting Location and/or Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that Members at all Meeting Locations and Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;

- (c) where Members attend a meeting by being present at one of the Meeting Locations and/or where Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more Members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting.
- (d) if any of the Meeting Locations is outside the jurisdiction of the Principal Meeting Place and/or in the case of a hybrid meeting, unless otherwise stated in the Notice, the provisions of these Bye-laws concerning the service and giving of Notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the Notice for the meeting.

64B. The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a Member who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any Member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the Notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

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

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Bye-law 64A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the Notice of the meeting; or

- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

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

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

64E. If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not Notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the Notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the Members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may

occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-law shall be subject to the following:

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

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

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

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

VOTING

- 66.⁺ (1) ~~Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-Laws, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorized representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided 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 Member present in or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.~~
- (2) In the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:
- (a) by at least three Members present in person or by proxy for the time being entitled to vote at the meeting; or
- (b) by a Member or Members present in person by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

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

A demand by a person as proxy for a Member shall be deemed to be the same as a demand by the Member.

67.⁺ [deleted]

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

69.⁺ [deleted].

70.⁺ [deleted].

71.⁺ On Aa poll votes may be given either personally or by proxy.

72. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way. ~~(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated if he were the registered holder of as such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or postponed meeting, as the case may be.~~

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

- 73.⁺ ~~All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the Act.~~ In the case of an equality of votes, the ~~Chairman~~ of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
74. ~~In the case of~~Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
75. (1)⁺ A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such court, and such receiver, committee, *curator bonis* or other person may vote ~~on a poll~~ by proxy, and may otherwise act and be treated as if he were the registered holder of such Member shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or ~~poll~~postponed meeting, as the case may be.
- (2) Any person entitled under Bye-law 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting or postponed meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
76. (1)⁺⁺ No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

⁺⁺ ~~As added/amended by Special Resolution passed on 23rd August 2004.~~

(2) All members shall have the right to (a) speak at a general meeting, and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

(3) Where the Company has knowledge that any Member is, under the ~~rules of the Designated Stock Exchange~~ Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

77. If:

- (a) any objection shall be raised to the qualification of any voter; or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or postponed meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or postponed meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same may have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.

PROXIES

78. (4) Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.

(2) ~~Unless otherwise required by the Statutes, a proxy need not be a Member. A Member may appoint a proxy in respect of part only of his holding of shares in the Company.~~

79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
- 80.⁺ (1) The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Bye-laws) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Bye-law is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Bye-law or if no electronic address is so designated by the Company for the receipt of such document or information.
- (2) The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate), or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting or postponed meeting at which the person named in the instrument proposes to vote. No instrument

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or ~~on a poll demanded at a meeting or an adjourned~~ postponed meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting ~~in person~~ at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

CORPORATIONS ACTING BY REPRESENTATIVES

84. (1) Any corporation which is a Member ~~of the Company~~ may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member ~~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. ~~Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.~~

(2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.

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

84A¹⁻ⁱⁱⁱ Where a shareholder and/or warrant holder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any shareholders' meetings or any meetings of any class of shareholders and/or warrant holders provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of shares and/or warrants in respect of which each such person is so authorised. The person so authorised will be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the

² ~~As added/amended by Special Resolution passed on 4th September 2008.~~

⁵ ~~As added/amended by Special Resolution passed on 4th September 2008.~~

⁹ ~~As added/amended by Special Resolution passed on 15th September 1994.~~

facts it is duly authorised and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise if it were an individual shareholder and/or warrentholder of the Company.

WRITTEN RESOLUTIONS OF MEMBERS

85. (1) Subject to the Act, A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.
- (2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye law 86(4) or for the purposes set out in Bye-law 155(3) relating to the removal and appointment of the Auditor.

BOARD OF DIRECTORS

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than four (4). The Directors shall be elected or appointed in the first place at the statutory meeting of ~~m~~Members and thereafter ~~in accordance with the next following Bye law unless the Statutes otherwise require in which case~~ at the annual general meeting; in accordance with Bye-law 87 or at any special general meeting called for such purpose and who shall hold office ~~until~~for such terms as the next appointment of Directors Members may determine or, in the absence of such determination, in accordance with Bye-law 87 or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) The Directors shall have the power from time to time and at any time to appoint any ~~qualified~~ person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the ~~maximum~~ number of Directors so appointed shall not exceed ~~the~~ any maximum number determined from time to time by the Members in general meeting. Where a maximum number of Directors has been determined in accordance with the Act, a general meeting of the Company may authorise the Directors to elect

~~or appoint on their behalf a person or persons to act as additional Directors up to such maximum. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting but shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting.~~

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

RETIREMENT OF DIRECTORS

87. (1) The provisions of this Bye-law shall, subject to the provisions of the last preceding Bye-law and the Statutes, govern the retirement of Directors.

- (2)[‡] Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at least once every three years.
- (3)[‡] A retiring Director shall be eligible for re-election and shall continue to act as Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- (4) The Company at the meeting at which a Director retires under any provision of these presents may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for election. In default the retiring Director shall be deemed to have been re-elected except in either of the following cases:
- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; or
- (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected.
- (5) The retirement of a Director pursuant to the foregoing sub-paragraphs of this Bye-law shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.
88. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

[‡] *As added/amended by Special Resolution passed on 8th September 2005.*

89.⁴ 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~~ Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a ~~Notice~~ 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)~~ Notice(s) ~~is/are~~ given, shall be at least seven (7) days and that (if the ~~Notices~~ Notices are submitted after the ~~dispatch~~ dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such ~~Notice(s)~~ Notice(s) shall commence on the day after the ~~dispatch~~ dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

DISQUALIFICATION OF DIRECTORS

90. The office of a Director shall be vacated if the Director:

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

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

⁴ *As added/amended by Special Resolution passed on 23rd August 2004.*

EXECUTIVE DIRECTORS

91. The Board may from time to time appoint one or more of its body to be a Managing Director, Joint Managing Director or Deputy Managing Director or to hold any other employment or executive office with the Company for such period (subject to the Statutes) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of services between him and the Company which may be involved in such revocation or termination.
- 92.⁺ An Executive Director appointed to an office under Bye-law 91 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

93. Subject to the Statutes, any Director may at any time by ~~Notice~~ ~~notice in writing~~ delivered to the Office ~~or head office~~ or at a meeting of the Directors appoint any person to be his alternate director and may at his discretion remove such alternate director. If such alternate director is not another director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate ~~Director~~ shall be effected by ~~Noticen~~ ~~notice in writing~~ signed by the appointor and delivered to the Office ~~or head office~~ or tendered at a meeting of the Board. 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.
94. 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. 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

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

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~~~~notice in writing~~ to the Company from time to time direct.

95. 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.
96. An alternate ~~Director~~ shall ipso facto cease to be an alternate ~~Director~~ if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES

- 97.⁺ The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as it may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.
98. Each Director shall be entitled to be prepaid all travelling, hotel and incidental expenses reasonably expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.
99. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law.

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

100.⁺The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

DIRECTORS' INTERESTS

101. A Director may:

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

102. Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 103 herein.

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

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the ~~Notice~~ 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.

104. (1)⁴ A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) 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

⁴ *As added/amended by Special Resolution passed on 23rd August 2004.*

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

- ~~(iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~
 - ~~(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
 - ~~(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder 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 five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or~~
 - ~~(vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, their associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.~~
- ~~(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph, there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder[deleted].~~

- (3) ~~Where a company in which a Director and/or his associate(s) hold(s) five (5) per cent. or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction. [deleted]~~
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

GENERAL POWERS OF THE DIRECTORS

105. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.

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

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

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

BORROWING POWERS

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

PROCEEDINGS OF THE DIRECTORS

115. The Board may meet for the despatch of business, adjourn or postpone and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

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

119. The Board may elect ~~one or more~~ chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~no neither the chairman or nor any~~ deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
120. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
121. (1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such ~~d~~Director or ~~d~~Directors as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- (2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
122. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye-law.
123. 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 ~~subject to Bye-law 93~~ 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 ~~further provided~~ 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) ~~be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held~~ further provided that no Director is aware of or has received any objection to the resolution from any Director. A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the

purpose of this Bye-law. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid, ~~provided that the document containing the original signature of the Director or alternate Director is deposited with the Secretary within ten (10) days from the date of the facsimile~~ Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.

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

MANAGERS

125. The Board may from time to time appoint a General Manager, a Manager or Managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two 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.
126. The appointment of such General Manager, Manager or Managers may be for such period as the Board may decide, and the Board may confer upon him or them all or any of the powers of the Board as they may think fit.
127. The Board may enter into such agreement or agreements with any such General Manager, Manager or Managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such General Manager, Manager or Managers to appoint an Assistant Manager or Managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

OFFICERS

128. (1) Subject to the Statutes, the officers of the Company shall consist of a Chairman, Managing Director, Secretary and such additional officers as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Statutes and these Bye-laws.

- (2) Subject to the Statutes, the Directors of the Company shall, as soon as may be after each appointment or election of Directors, elect one of their number to be Chairman and another of their number to be Managing Director; and if more than one Director is proposed for either of these offices, the election to such office shall take place in such manner as the Directors may determine.
- (3) The officers shall receive such remuneration as the Directors may from time to time determine.
- (4) Where the Company appoints and maintains a resident representative ordinarily resident in Bermuda in accordance with the Act, the resident representative shall comply with the provisions of the Act.
- (5) The Company shall provide the resident representative with such documents and information as the resident representative may require in order to be able to comply with the provisions of the Act.
- (6) The resident representative shall be entitled to have notice of, attend and be heard at all meetings of the Directors or of any committee of such Directors or general meetings of the Company.
129. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as Joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more Assistant or Deputy Secretaries.
- (2) The Secretary shall attend all meetings of the Members and of the Directors and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.
130. ~~[deleted]The President or the Chairman, as the case may be, shall act as chairman at all meetings of the Members and of the Directors at which he is present. In his absence a chairman shall be appointed or elected by those present at the Meeting.~~
131. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.
132. A provision of the Act or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

REGISTER OF DIRECTORS AND OFFICERS

- 132A. (1) The Board shall cause to be kept in one or more books at the Office a Register of Directors and Officers and shall enter therein the following particulars with respect to each Director and Officer, that is to say:
- (a) in the case of an individual, his or her present first name, surname and address;
and
 - (b) in the case of a company, its name and registered office.
- (2) The Board shall within a period of fourteen (14) days from the occurrence of:
- (a) any change among the Directors and Officers; or
 - (b) any change in the particulars contained in the Register of Directors and Officers, cause to be entered on the Register of Directors and Officers the particulars of such change.
- (3) The Register of Directors and Officers shall be open to inspection by members of the public without charge at the Office between 10:00 a.m. and 12:00 noon during business hours.
- (4) In this Bye-law, "Officer" has the meaning ascribed to it in Section 92A(7) of the Act.

MINUTES

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

SEAL

134. (1) The Company shall have one or more Seals, as the Board may determine. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.
- (2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

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

DESTRUCTION OF DOCUMENTS

136. The Company shall be entitled to destroy the following documents at the following times:

- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;
- (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
- (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and
- (e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of two (2) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

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

DIVIDENDS AND OTHER PAYMENTS

- 137.⁺ Subject to the Act, the Company in general meeting may from time to time declare dividends to be paid to the Members according to their rights and interests in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board.
138. No dividend shall be paid otherwise than out of profits available for distribution (such profits being ascertained in accordance with the Act) or contributed surplus.
139. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
 - (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
140. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board justifies such payment.
141. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

⁺ *As added/amended by Special Resolution passed on 10th September 2009.*

142. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
143. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
144. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
145. Whenever the Board or the Company in general meeting ~~have~~ resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any ~~Members~~ Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective.

146. (1) Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve either:
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Board;
 - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' ~~Notice in writing~~ notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
 - (iv)⁺ the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non-elected shares”) and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined in Bye-law 150 below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

⁺~~As added/amended by Special Resolution passed on 10th September 2009.~~

- (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
- (i) the basis of any such allotment shall be determined by the Board;
 - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' ~~notice in writing~~ Notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
 - (iv)⁺ the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined in Bye-law 150 below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend.

- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the ~~m~~Members concerned). The Board may authorise any person to enter into on behalf of all ~~m~~Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (3) The Company may upon the recommendation of the Board by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

RESERVES

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

CAPITALISATION

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

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

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

SUBSCRIPTION RIGHTS RESERVE

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

- (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:
 - (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the "Subscription Rights Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;
 - (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
 - (c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a

partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:

- (i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
 - (ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holders; and
- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (2) Shares allotted pursuant to the provisions of this Bye-law shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Bye-law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

ACCOUNTING RECORDS

151. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
152. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors of the Company. No Member (other than a Director of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board.
- 153.^{††} Subject to Section 88 of the Act and Bye-law 154, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient

[†] *As added/amended by Special Resolution passed on 10th September 2009.*

^{††} *As added/amended by Special Resolution passed on 28th August 2002.*

heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto twenty (20) clear business days (the day of sending and the day of meeting are excluded) before the date of the general meeting and laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.

154.⁶To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 153 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the Directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the Directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the Directors' report thereon.

154A.⁶The requirement to send to a person referred to in Bye-law 153 the documents referred to in that ~~Bye-law~~provision or a summary financial report in accordance with Bye-law 154 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the ~~rules of the Designated Stock Exchange Listing Rules~~, the Company publishes copies of the documents referred to in Bye-law 153 and, if applicable, a summary financial report complying with Bye-law 154, on the Company's website or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

⁺ ~~As added/amended by Special Resolution passed on 10th September 2009.~~

⁴ ~~As added/amended by Special Resolution passed on 23rd August 2004.~~

⁶ ~~As added/amended by Special Resolution passed on 28th August 2002.~~

AUDIT

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

159. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.
160. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory; and the report of the Auditor shall be submitted to the Members in general meeting and shall, after approval at such meeting, be conclusive except as regards any error discovered within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of accounts amended in respect of the error shall be conclusive.

NOTICES

- 161.⁶(1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the ~~rules of the Designated Stock Exchange~~Listing Rules), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and document may be ~~served given or delivered~~ issued by the following means:
- (a) ~~Company on or to any Member either personally or by serving it personally on the relevant person;~~
 - (b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
 - (c) ~~or, as the case may be, by delivering or leaving it at such address as aforesaid;~~
 - (d) by placing an advertisement in appointed newspapers or other publication and where applicable, (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange;

⁶~~As added/amended by Special Resolution passed on 28th August 2002.~~

- (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Bye-law 158(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;
- (f) by publishing it on the Company's website or the website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person that the notice, document or publication is available on the Company's computer network website (a "notice of availability"); and
- (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice or document to him or which the person transmitting the Notice or document reasonably and bona fide believes at the relevant time will result in the Notice or document being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website and giving to the Member a notice stating that the Notice or other document is available there (a "notice of availability").
- (2) The notice of availability may be given ~~to the Member~~ by any of the means set out above other than by posting it on a website.
- (3) In the case of joint holders of a share all ~~Notices or documents~~ shall be given to that one of the joint holders whose name stands first in the Register and ~~Notice or document~~ so given shall be deemed a sufficient service on or delivery to all the joint holders.
- (4) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which, previously to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.

- (5) Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Bye-laws may register with the Company an electronic address to which notices can be served upon him.
- (6) Subject to any applicable laws, rules and regulations and the terms of these Bye-laws, any notice, document or publication, including but not limited to the documents referred to in Bye-laws 149, 150 and 158 may be given in the English language only or in both the English language and the Chinese language.

162.⁶ Any ~~Notice~~ or other document:

- (a) if served or delivered by post, shall ~~be sent airmail~~ where appropriate be sent by airmail and shall be deemed to have been served or delivered ~~at on~~ on the time day following that on which ~~when~~ the envelope containing the same, properly prepaid ~~and~~ addressed, ~~and~~ is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the ~~Notice~~ or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A ~~Notice or document~~ placed on the Company's website or the website of the Designated Stock Exchange is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;
- (c) if published on the Company's website, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Bye-laws, whichever is later; ~~if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant dispatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and~~

⁶ ~~As added/amended by Special Resolution passed on 28th August 2002.~~

- (d) ~~if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.~~
- (e) ~~if published as an advertisement in a newspaper or other publication permitted under these Bye-laws, shall be deemed to have been served on the day on which the advertisement first so appears.~~
163. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the ~~Notice~~ Notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) ~~A Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.~~
- (3) ~~Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every Notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.~~

SIGNATURES

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

WINDING UP

165. (1) Subject to Bye-law 165(2), ~~The~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

166. If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

167. (1) The Directors, Secretary and other officers and every Auditor of the Company ~~for~~ at any time being of, whether at present or in the Company past and the liquidator or trustees (if any) ~~for the time being~~ acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done,

concurring in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any wilful negligence, wilful default, fraud or dishonesty which may attach to any of said persons.

- (2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any wilful negligence, wilful default, fraud or dishonesty which may attach to such Director.

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

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

INFORMATION

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

NOTICE OF AGM



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

NOTICE IS HEREBY GIVEN that the annual general meeting of Mongolia Energy Corporation Limited (the “**Company**”) will be held at 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, 12 December 2022 at 11:00 a.m. to transact the following ordinary businesses:

1. To receive and consider the audited financial statements and the reports of the directors and independent auditor of the Company for the year ended 31 March 2022.
2.
 - (a) To re-elect Mr. Lo Lin Shing, Simon as an executive director.
 - (b) To re-elect Mr. Tang Chi Kei as a non-executive director.
 - (c) To re-elect Mr. Lau Wai Piu as an independent non-executive director.
 - (d) To re-elect Mr. Tsui Hing Chuen, William *JP* as an independent non-executive director.
 - (e) To authorise the board of directors of the Company to fix the directors’ remuneration.
3. To re-appoint Messrs. Ernst & Young as independent auditor of the Company and to authorise the board of directors of the Company to fix its remuneration.

NOTICE OF AGM

By way of special business, to consider and, if thought fit, pass the following ordinary and special resolutions, with or without modification:

ORDINARY RESOLUTIONS

4. **“THAT:**
- (a) the new share option scheme (the **“New Share Option Scheme”**) as referred to in the circular despatched to the shareholders of the Company on the same date as this notice, the rules of which are set out in the document marked **“A”** produced to the Meeting and, for the purpose of identification, signed by the chairman of the Meeting, the rules of the New Share Option Scheme be and are hereby approved and adopted and that the Directors be and are hereby authorised to grant the options thereunder and to allot and issue shares of the Company pursuant to the exercise of any options granted thereunder and sign all such documents and take all such steps as they may consider necessary or desirable to implement and give effect to the New Share Option Scheme; and
 - (b) the aggregate number of shares of the Company to be allotted and issued pursuant to the resolution numbered 4(a) above, together with any issue of shares of the Company upon exercise of any options or awards granted under any other schemes of the Company as may from time to time be adopted by the Company, shall not exceed 10% of the total number of the shares of the Company in issue as at the date of passing of this resolution.”
5. **“THAT:**
- (a) subject to the following provisions 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 and deal with additional shares of the Company, and to make or grant offers, agreements or options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) 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 and options (including bonds, notes, warrants, debentures and securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) an issue of shares pursuant to any existing specific authority, including upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any bonds, notes, debentures or securities convertible into shares of the Company; (iii) the exercise of options granted under any share option scheme(s) adopted by the Company; and (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and the said approval should be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; or
- (iii) 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 an offer of shares open for a period fixed by the Directors of the Company made to 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 as at that date (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, or in any territory outside, Hong Kong).”

NOTICE OF AGM

6. “**THAT:**

the maximum number of Directors be fixed at fifteen (15) and **THAT** the Directors be and are hereby authorised to appoint additional Directors up to such maximum number.”

SPECIAL RESOLUTION

7. “**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing bye-laws of the Company (the “**Existing Bye-laws**”), details of which are set forth in Appendix IV to the circular of the Company dated 10 November 2022 (the “**Circular**”), be and are hereby approved;
- (b) the new bye-laws of the Company (incorporating the Proposed Amendments)(the “**New Bye-laws**”) in the form of the document marked “B” and produced to this meeting (for the purpose of identification initialed by the chairman of the meeting), be and is hereby approved and adopted as the bye-laws of the Company in substitution for, and to the exclusion of, the Existing Bye-laws with immediate effect; and
- (c) any one Director be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Bye-laws.”

By Order of the Board
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

Hong Kong, 10 November 2022

Registered office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:

17th Floor,
118 Connaught Road West
Hong Kong

NOTICE OF AGM

Notes:

1. Any member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person(s) as his/her proxy to attend and, on a poll, vote instead of him/her. In the case of a recognised clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the meeting and vote in its stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Where there are joint holders of any share, any one of such holders may vote at the meeting, either in person or by proxy, in respect of such share as if he/she was solely entitled to vote, but if more than one of such joint holders be present at the meeting in person or by proxy, the person so present whose name stands first in the register of members of the Company in respect of such share shall alone be entitled to vote in respect of it. Completion and return of the form of proxy shall not preclude a member from attending the meeting and voting in person at the meeting or any adjourned meeting if he/she so desires. If a member attends the meeting after having deposited the form of proxy, his/ her form of proxy shall be deemed to have been revoked.
4. For the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting, **the Register of Members of the Company (the "Register of Members") will be closed from Wednesday, 7 December 2022 to Monday, 12 December 2022, both dates inclusive**, during which period no transfers of shares will be effected. In order to qualify for voting at the forthcoming annual general meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrar and Transfer Office, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 6 December 2022.
5. The Directors who will retire are Mr. Lo Lin Shing, Simon, Mr. Tang Chi Kei, Mr. Lau Wai Piu and Mr. Tsui Hing Chuen, William *JP*. Separate resolutions will be proposed for their re-election.
6. Each of the resolutions set out in this notice will be voted on by poll.
7. If typhoon signal no. 8 or above remains hoisted or a black rainstorm warning signal is in force at 8:00 a.m. on the date of the annual general meeting, the meeting will be postponed. Details of alternative meeting arrangements will be published on the Company's website (www.mongolia-energy.com) and Hong Kong Exchanges and Clearing Limited's website (<http://www.hkexnews.hk>) in due course.

The annual general meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force. Shareholders should make their own decision as to whether they would attend the meeting under the bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

Shareholders who have any queries concerning the alternative meeting arrangements, please call the Customer Service Hotline of Tricor Standard Limited at telephone number (852) 2980 1333 from 9:00 a.m. to 5:00 p.m., Monday to Friday (excluding public holidays).