

**ARTICLES OF ASSOCIATION**

**OF**

**CHU KONG SHIPPING ENTERPRISES (GROUP)  
COMPANY LIMITED**

珠江船務企業（股份）有限公司

(Adopted by Special Resolution passed on the 21st day of June 2023)

---

**Incorporated on the 5th day of September 1996**

---

Hong Kong

No. 563974  
編號

(COPY)  
副本

CERTIFICATE OF CHANGE OF NAME  
公司更改名稱證書

---

I hereby certify that  
本人謹此證明

**CHU KONG SHIPPING DEVELOPMENT COMPANY LIMITED**  
**珠江船務發展有限公司**

which was incorporated in Hong Kong under the Companies Ordinance  
根據《公司條例》(香港法例第32章)在香港註冊，  
(Chapter 32 of the Laws of Hong Kong), has by special resolution changed  
並已藉特別決議，於二零一二年六月五日  
its name on 5 June 2012 to  
將其名稱更改為

**Chu Kong Shipping Enterprises (Group) Company Limited**  
**珠江船務企業(股份)有限公司**

Issued on 5 June 2012.

本證書於二零一二年六月五日發出。

(Sd.) Ms Ada L L CHUNG

-----  
*Registrar of Companies*  
*Hong Kong Special Administrative Region*  
香港特別行政區公司註冊處處長鍾麗玲

No. 563974  
編號

(COPY)  
副本

COMPANIES ORDINANCE  
(CHAPTER 32)  
香港法例第32章  
公司條例

CERTIFICATE OF INCORPORATION  
公司註冊證書

---

I hereby certify that  
本人謹此證明

**CHU KONG SHIPPING DEVELOPMENT COMPANY LIMITED**  
**珠江船務發展有限公司**

is this day incorporated in Hong Kong under the Companies Ordinance, and  
於本日在香港依據公司條例註冊成為有限公司。  
that this company is limited.

Issued by the undersigned on 5 September 1996.  
本證書於一九九六年九月五日簽發。

(Sd.) H. W. WONG

-----  
for Registrar of Companies  
Hong Kong

香港公司註冊處處長  
(公司註冊主任 黃恒偉 代行)

**THE COMPANIES ORDINANCE (Chapter 622)**

Public Company Limited by Shares

**ARTICLES OF ASSOCIATION**

(Adopted by Special Resolution  
passed on the 21st June 2023)

of

**CHU KONG SHIPPING ENTERPRISES (GROUP) COMPANY LIMITED**

珠江船務企業（股份）有限公司

(Company Number: 563974)

---

**INTRODUCTION**

1. (i) The regulations in Schedule 1 (Model Articles for Public Companies Limited by Shares) to the Companies, (Model Articles) Notice (L.N. 77 of 2013) shall not apply to the Company.
- (ii) The name of the Company is Chu Kong Shipping Enterprises (Group) Company Limited (珠江船務企業（股份）有限公司).
- (iii) The liability of the members is limited.
- (iv) The liability of the members is limited to any amount unpaid on the shares held by the members.

## INTERPRETATION

2. In these Articles the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

WORDS	MEANINGS
Articles	... these articles of association, as adopted, or as from time to time altered in accordance with the Statutes;
associate	... has the same meaning as in the Rules Governing the Listing of Securities on the Stock Exchange;
Auditors	... the persons for the time being performing the duties of the auditors of the Company;
Board	... the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present;
Company	... Chu Kong Shipping Enterprises (Group) Company Limited ( 珠江船務企業(股份)有限公司);
Director	... a director of the Company;
Executive Director	... a Managing Director or Joint Managing Director of the Company or a Director who is the holder of any other employment or executive office with the Company;
the holder	... in relation to any shares means the Member whose name is entered in the Register as the holder of such shares;
Member	... a member of the Company;
Office	... the registered office for the time being of the Company;
Ordinance	... the Companies Ordinance, Chapter 622 of the Laws of Hong Kong and every other Ordinance incorporated therewith, or any Ordinance or Ordinances substituted therefor; and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance or Ordinances;
paid up	... in relation to a share, means paid up or credited as paid up;
Register	... the register of Members of the Company (including any branch register kept in accordance with the Statutes);

Relevant Exchange	...	any stock exchange on which the shares of the Company are listed and permitted to be dealt in at the relevant time, including without limitation, the Stock Exchange;
Seal	...	the common seal of the Company or any official seal that the Company may be permitted to have under the Ordinance;
Secretary	...	the person for the time being performing the duties of the Company secretary of the Company and includes a temporary or assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary;
Statutes	...	the Ordinance and every other ordinance for the time being in force concerning companies and affecting the Company; and
Stock Exchange	...	The Stock Exchange of Hong Kong Limited (or any other stock exchange in Hong Kong on which the shares or other securities of the Company are for the time being listed).

- (i) Subject as aforesaid, any words defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- (ii) Unless inconsistent with the subject or context, words importing the singular number shall include the plural number and vice versa, words importing the masculine gender shall include the feminine; gender and words importing persons shall include corporations and bodies of persons.
- (iii) References to writing shall include typewriting, printing, lithography, photography and other modes (including telex and facsimile transmission) of representing or reproducing words in a legible and non-transitory form.
- (iv) Any words or expressions defined in the Ordinance in force at the date when these Articles or any part thereof are adopted shall bear the same meaning in these Articles or such part (as the case may be) save that “company” shall where the context permits include any company or body incorporated in Hong Kong or elsewhere.
- (v) References to a meeting shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.
- (vi) The headings are inserted for convenience only and shall not affect the construction of these Articles.
- (vii) A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

- (viii) References in these Articles to any statutory provision shall be construed as including references to:
- (a) any statutory modification or re-enactment thereof;
  - (b) all subsidiary legislation, regulations or orders made pursuant thereto; and
  - (c) any statutory provisions of which such statutory provision is a re-enactment or modification.
- (ix) A person who is able to communicate to others attending a meeting, during the meeting, any information or opinions that the person has on the business of the meeting is considered to be able to exercise the right to speak at a general meeting.

### **REGISTERED OFFICE**

3. The Office shall be at such place in Hong Kong as the Board shall from time to time appoint.

### **SHARE CAPITAL**

4. Subject to the Statutes and to any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or such 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.
5. (i) Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, any share may be issued on terms that it is to be redeemed or is liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of the shares.
- (ii) Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, the Board may issue subscription warrants (other than share warrants to bearer) or other rights and grant rights to subscribe for, or to convert any security into, any class of shares or securities of the Company on such terms as they may from time to time determine.
6. (i) The Company shall duly comply with provisions of the Statutes regarding the allotment, issue and paying up of shares.
- (ii) The Directors may, subject to the provisions of the Statutes, these Articles and any resolution of the Company, allot (with or without conferring a right of renunciation), grant rights over or otherwise deal with or dispose of any shares of the Company to such persons, at such times and generally on such terms as they think proper.

7. (i) The Company may pay a commission to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Company, but such commission shall not exceed the limits permitted by the Statutes. Any such commission may be paid in cash or any the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company, confer on any such person an option to call within a specified time for a specified number or amount of shares in the Company at a specified price. The payment or agreement to pay a commission or the conferring of an option shall be in the discretion of the Directors on behalf of the Company and subject to the provisions of the Statutes.
- (ii) The Company may also pay such brokerage as may be lawful.

### **ALTERATION OF CAPITAL**

8. (i) The Company may from time to time alter its capital in any one or more of the ways permitted by the Statutes.
  - (ii) Anything done in pursuance of this Article shall be done in any manner provided, and subject to any conditions imposed, by the Statutes so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same, and, so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient.
9. Any resolution of the Company creating any new shares in the capital of the Company may, subject to the Statutes and without prejudice to the rights and privileges attached to any then existing shares in the capital, specify rights and privileges to be attached to such new shares and restrictions to which they shall be subject and may (subject to the Statutes and any rules prescribed by any Relevant Exchange which may be applicable from time to time) provide that the same are to be issued on terms that they are, or at the option of the holder or the Company are liable, to be redeemed and set out the terms on and the manner in which redemption of the same may be effected.
  10. Subject to any direction or determination that may be given or made in accordance with powers contained in these Articles, all shares created shall be subject to the provisions contained in these Articles relating to the payment of calls, transfer, transmission, forfeiture, lien and otherwise.
  11. Subject to the provision of the Statutes and these Articles, the Company may by special resolution reduce its share capital or any other undistributable reserve in any way.

## PURCHASE OF OWN SHARES AND WARRANTS

12. Subject to the provisions of the Statutes and any rules prescribed by any Relevant Exchange from time to time, the Company may purchase its own shares of any class in the capital of the Company, including any redeemable shares or warrants or other securities carrying a right to subscribe for or purchase shares of the Company issued by the Company and, should the Company acquire its own shares or warrants or other such securities neither the Company nor the Directors shall be required to select the shares or warrants to be acquired rateably or in any other particular manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares or warrants. In the case of purchase of redeemable shares, purchases not made through the market or by tender shall be limited to a maximum price and if purchases are by tender, tenders shall be available to all shareholders holding redeemable shares of the Company alike.

## VARIATION OF RIGHTS

13. (i) Whenever the capital of the Company is divided into different classes of shares, all or any of the special rights or privileges attached to any class may be varied or abrogated, either with the consent in writing of holders representing at least 75 per cent of the total voting rights of holders of shares in 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 (but not otherwise), and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall apply mutatis mutandis, except that:
- (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons present in person or by proxy together holding at least one-third of the total voting rights of holders of shares in that class;
  - (b) at an adjourned meeting the necessary quorum shall be one person holding shares of that class or his proxy;
  - (c) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively; and
  - (d) a poll may be demanded by any one holder of shares of the class whether present in person or by proxy.
- (ii) For the purposes of this provision any particular issue of shares not carrying the same rights (whether as to rate of dividend, redemption or otherwise) as any other shares for the time being in issue, shall be deemed to constitute a separate class of share.

## **JOINT HOLDERS AND LESS THAN ABSOLUTE INTEREST**

14. The Company shall not be bound to register more than four persons as joint holders of any share (except in the case of executors or administrators of a deceased Member), and any one of such registered joint holders may give effective receipts for any dividend or other moneys payable in respect of such share.
15. Except as otherwise required by law or these Articles and notwithstanding any information received by the Company, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

## **CERTIFICATES**

16. Every person whose name is entered as a holder of any shares in the Register shall be entitled, without payment, to receive within two months after allotment or lodgment of a transfer to him of the shares in respect of which he is so registered (or within such other period as the terms of issue shall provide) 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 may from time to time determine. In the case of a share held jointly by several persons, delivery of a certificate to one of several joint holders shall be sufficient delivery to all. A Member (except such a nominee as aforesaid) who has transferred part of the shares comprised in his registered holding shall be entitled to a certificate for the balance without charge.
- 16A. The Register shall be open for inspection by Members provided that the Company may be permitted to close the Register in accordance with the Ordinance.
17. (i) If a share certificate is defaced, worn out, lost or destroyed it may, subject to the Ordinance, be replaced on payment of a fee not exceeding 2.5 Hong Kong dollars (or such higher amount as shall for the time being be approved by the Relevant Exchange) and on such terms (if any) as to evidence and indemnity and to payment of any reasonable costs and out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and where it is defaced or worn out, after delivery of the old certificate to the Company.  
  
(ii) All forms of certificate for share or loan capital or other securities of the Company (other than letters of allotment, scrip certificates and other like documents) shall, except to the extent that the terms and conditions for the time being relating thereto otherwise provide, be issued under a Seal and, if issued under an official seal, need not be signed by any person. The Board may also by resolution determine, either generally or in any particular case or cases; that any signatures on any such certificates need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

## **LIEN**

18. (i) The Company shall have a first and paramount lien on every share (not being a fully paid share) for all amounts payable (whether presently or not) in respect of such share. The Company's lien on a share shall extend to all dividends and distributions payable thereon.  
  
(ii) The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be wholly or in part exempt from the provisions of this Article.
19. The Company may sell, in such manner as the Board may think fit, any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable and giving notice of the intention to sell in default of such payment, has been served on the holder for the time being of the share.
20. The net proceeds, after payment of all costs and out-of-pocket expenses, of the sale by the Company of any shares on which it has a lien shall be 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 and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the holder immediately before such sale of the share. For giving effect to any such sale the Board may authorise some person to transfer the share sold to the purchaser thereof. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the sale.

## **CALLS ON SHARES**

21. The Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares and not by the terms of issue thereof made payable at a date fixed by or in accordance with such terms of issue, and each Member shall (subject to the Company serving upon him at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Board may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.
22. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. A call may be made payable by instalments upon such terms and conditions as the Board may determine.
23. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
24. If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15 per cent. per annum, as the Board may determine, but the Board shall be at liberty to waive payment of such interest wholly or in part.

25. Any sum which, by the terms of issue of a share, becomes payable on allotment or at any date fixed by or in accordance with such terms of issue, whether on account of the nominal amount of the share or by way of premium, shall for all the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which, by the terms of issue, the same becomes payable and, in case of non-payment, all the relevant provisions of these Articles as to payment of interest, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
26. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
27. The Board may, if it thinks fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate, not exceeding (unless the Company by ordinary resolution shall otherwise direct) 15 per cent. per annum, as may be agreed upon between the Board and the Member paying such sum in advance.

### **FORFEITURE OF SHARES**

28. If any call or instalment of a call remains unpaid on any share after the day appointed for payment thereof, the Board may at any time serve a notice on the holder of such share requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
29. The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.
30. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.
31. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls, instalments, interest, costs, charges and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
32. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before the forfeiture the holder of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
33. Until cancelled in accordance with the requirements of the Ordinance, a forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, 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 may think fit.

34. A person whose shares have been forfeited shall thereupon cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at the rate fixed by the terms of issue of the shares or, if no such rate is fixed, at the rate of 15 per cent. per annum (or such lower rate as the Board may determine) from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.
35. A statutory declaration that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration (if any) given for the share on the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted or disposed of, and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

36. Subject to such of the restrictions of these Articles as may be applicable, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve.
37. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee, and 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. The Board may resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
38. All instruments of transfer, when registered, may be retained by the Company.
39. (i) The Board may, in its absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which is not a fully paid share.
- (ii) The Board may also decline to register any transfer unless:-
- (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
  - (b) the instrument of transfer is in respect of only one class of share;
  - (c) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;
  - (d) a fee of such sum as the Relevant Exchange may from time to time determine to be payable is paid to the Company in respect thereof; and
  - (e) if applicable, the instrument of transfer is duly and properly stamped.

40. If the Board declines to register a transfer it shall, within twenty-one days after the date on which the instrument of transfer was lodged, send to the transferor and transferee notice of the refusal. Upon request by the transferor and transferee, the Board must, within 28 days after receiving such request, send to the transferor or transferee (as the case may be) a statement of the reasons for the refusal.
41. A fee not exceeding 2 Hong Kong dollars (or such higher amount as shall for the time being be approved by the Relevant Exchange) may be charged by the Company for registering any transfer, or other document relating to or affecting the title to any share, or for otherwise making any entry in the Register relating to any share.

### **TRANSMISSION OF SHARES**

42. In the case of the death of a Member, the survivor or survivors, where the deceased was a joint holder, and the legal representatives of the deceased, where the deceased was a sole or only surviving holder, shall be the only person or persons recognised by the Company as having any title to the deceased's shares; but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.
43. Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member or by operation of law or in consequence of the making in respect of a Member of an order by any court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder or by operation of law, may, upon producing such evidence of his title as the Directors shall require, subject as hereinafter provided and upon such evidence being produced as may from time to time be required by the Directors as to his entitlement, either be registered himself as the holder of the share or elect to have some person nominated by him registered as the transferee thereof.
44. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. All the provisions of these Articles relating to the transfer of shares shall apply to the notice as if it were an instrument of transfer executed by the person from whom the title by transmission is derived.
45. If the person so becoming entitled shall elect to have his nominee registered, he shall execute and deliver or send to the Company an instrument of transfer of such share in favour of his nominee. All the provisions of these Articles relating to the transfer of shares shall apply to the instrument of transfer as if the event upon which the transmission took place had not occurred and it were an instrument of transfer executed by the person from whom the title by the transmission is derived.
46. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or at any separate meeting of the holders of any class of shares in the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends and any other moneys payable in respect of the share until the requirements of the notice have been complied with.

## **GENERAL MEETINGS**

47. The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Ordinance at such times and places as the Board shall appoint.
48. Any general meeting of the Company other than an annual general meeting shall be called a general meeting.
49. (i) The Board may, whenever it thinks fit, convene a general meeting.  
(ii) General meetings shall also be convened by the Board on the requisition of Members pursuant to the provisions of the Statutes.

## **NOTICE OF GENERAL MEETINGS**

50. Subject to section 578 of the Ordinance, at least 21 clear days' notice of every annual general meeting and at least 14 clear days' notice of every other general meeting (in each case exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given) shall be given in the manner hereinafter mentioned to all Members, to the Directors and to the Auditors.
51. (i) Every notice of meeting shall specify the place, the date and the time of the meeting and the general nature of the business to be dealt with at the meeting. If the meeting is to be held at two or more places, the notice of meeting shall specify the principal place of the meeting and the other place or places of the meeting.  
(ii) In the case of an annual general meeting, the notice shall also specify the meeting as such.  
(iii) Every notice of meeting shall also state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint (a) another person (whether a Member or not) as a proxy or (being a corporation) a duly authorised representative to exercise all or any of the Member's rights to attend and to speak and vote at a general meeting of the Company (subject to Article 76) and (b) separate proxies to represent respectively the number of the shares held by the Member that is specified in their instruments of appointment.  
(iv) Every notice of meeting shall also state the place where instruments of proxy are to be deposited if the Directors shall have determined such place to be other than at the Office.  
(v) If a resolution is intended to be moved at a general meeting, the notice of meeting shall:
  - (a) Include notice of the resolution; and
  - (b) Include or be accompanied by a statement containing the information and explanation, if any, that it is reasonably necessary to indicate the purpose of the resolution.

52. Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Article, it shall be deemed to have been duly called if it is so agreed:–
- (i) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
53. The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

54. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment choice or election of a chairman which shall not be treated as part of the business of the meeting. Save as otherwise provided by these Articles, two Members present in person or by proxy and entitled to vote shall be a quorum for all purposes. A corporation being a Member shall be deemed for the purpose of these Articles to be present in person if represented by proxy or in accordance with the provisions of the Ordinance.
55. The Company may hold a general meeting at two or more places using any technology that enables Members of the Company who are not together at the same place to listen, speak and vote at the meeting.
- 55A. Every Member who is entitled to receive the notice of a general meeting under these Articles shall be entitled to speak at such meeting.
56. If within five 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 such other day (not being less than fourteen nor more than twenty-eight days thereafter) and at such other time or place as the chairman of the meeting may determine and at such adjourned meeting one Member present in person or by proxy (whatever the number of shares held by him) shall be a quorum. The Company shall give not less than seven days' notice in writing of any meeting adjourned through want of a quorum and such notice shall state that one Member present in person or by proxy (whatever the number of shares held by him) shall be a quorum.

57. The chairman (if any) of the Board or, in his absence, a deputy chairman (if any) shall preside as chairman at every general meeting. If there is no such chairman or Deputy chairman, or if at any meeting neither the chairman nor a Deputy chairman is present within five minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, 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, the persons present and entitled to vote on a poll shall elect one of their number to be chairman.
58. Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.
59. (i) Subject to the Statutes, a resolution may only be put to the vote at a general meeting if the Chairman of the meeting in his absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting.
- (ii) In the case of a resolution to be proposed as a special resolution no amendment may be made, at or before the time at which the resolution is put to the vote, to the form of the resolution as set out in the notice of meeting, except to correct a patent error or as may otherwise be permitted by law.
- (iii) In the case of a resolution to be proposed as an ordinary resolution no amendment may be made, at or before the time at which the resolution is put to the vote (other than an amendment to correct a patent error), unless:
- (a) in the case of an amendment to the form of the resolution as set out in the notice of the meeting, written notice of the intention to move the amendment is lodged at the Office no later than 48 hours before the time fixed for the holding of the relevant meeting; or
- (b) in any case, the Chairman of the meeting in his absolute discretion otherwise decides that the amendments or amended resolution may properly be put to the vote.
- (iv) The giving of written notice under sub-paragraph (iii)(a) above shall not prejudice the power of the Chairman of the meeting to rule the amendment out of order.
- (v) With the consent of the Chairman of the meeting, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote.
- (vi) If the Chairman of the meeting rules a resolution or an amendment to a resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the resolution in question shall not be invalidated by any error in his ruling. Any ruling by the Chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.

60. (i) 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 and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for three months or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (ii) Save as expressly provided by these Articles, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## VOTING

61. (i) Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, on a show of hands every Member who is present in person or by proxy at a general meeting of the Company shall have one vote, and on a poll every Member who is present in person or by proxy shall have one vote for every share in the capital of the Company of which he is the holder.
- (ii) Subject to the rules prescribed by any Relevant Exchange from time to time, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:–
- (a) the chairman of the meeting; or
  - (b) at least three Members present in person or by proxy and entitled to vote on the resolution;  
or
  - (c) any Member or Members present in person or by proxy and representing in the aggregate not less than 5 per cent of the total voting rights of all Members having the right to attend and vote at the meeting,
- and a demand for a poll by a person as proxy for a Member shall be as valid as if the demand were made by the Member himself.
- (iii) Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or not carried by a particular majority or lost shall be final and conclusive, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.
62. (i) If a poll is demanded it shall be taken in such manner as the chairman shall direct and he may appoint scrutineers (who need not be Members).
- (ii) The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

63. A poll demanded on the election of a chairman for the meeting shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time (being not later than three months after the date of the demand) and place as the chairman shall direct. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll.
64. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded, and it may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
65. Votes may be given either personally or by proxy.
66. 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.
67. In the case of an equality of votes at a general meeting, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to an additional or casting vote.

### **VOTE OF MEMBERS**

68. Subject to any special rights or restrictions as to voting for the time being attached to any shares and to the provisions of these Articles and the Statutes, on a show of hands every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy shall have one vote and, on a poll, every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy, shall have one vote for every share of which he is the holder.
69. (i) On a vote on a resolution on a show of hands at a general meeting, every Member present in person shall have one vote, and every proxy present who has been duly appointed by a Member entitled to vote on the resolution shall have one vote. If a Member appoints more than one proxy, none of the proxies so appointed shall be entitled to vote on the resolution on a show of hands, provided that where more than one proxy is appointed by a Member which is a clearing house or its nominee, each such proxy shall have one vote on a show of hands.  
  
(ii) On a poll votes may be given either personally or by proxy and a Member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.  
  
(iii) A proxy need not be a Member of the Company and a Member may appoint more than one proxy to attend on the same occasion.
70. Any corporation which is a Member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meeting of the Company or of any class of Members of the Company; and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member present at the meeting in person, including (without limitation) power to vote on a show of hands or on a poll and to demand or concur in demanding a poll.

71. Where a Member is a clearing house or its nominee, it may authorise such person or persons as it thinks fit to act as its representative (or representatives) at any general meeting or any separate meeting of any class of Members provided that, if more than one person is so authorised, the authorisation must specify the number and class of shares in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the clearing house (or its nominee) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee), including the right to vote individually on a show of hands.
72. In the case of joint holders of a share the vote of the senior of the joint holders 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.
73. A Member in respect of whom an order has been made by any competent court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder, or otherwise incapable of managing his affairs may vote, whether on a show of hands or on a poll, by his receiver, curator bonis, or other person in the nature of a receiver or curator bonis appointed by such court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote as aforesaid shall have been produced at the Office or at such other place as the Directors may determine at least 48 hours before the time fixed for holding the meeting or adjourned meeting (as the case may be) at which such person proposes to vote as aforesaid and in default the right to vote shall not be exercisable.
74. No Member shall, unless the Directors otherwise determines, be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
75. If (i) any objection shall be raised to the qualification of any voter or (ii) any votes have been counted which ought not to have been counted or which might have been rejected or (iii) 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 on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.
76. Where any Member is, under the Rules Governing the Listing of Securities on the Stock Exchange, 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.

## **PROXIES**

77. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney or agent 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.
78. A proxy need not be a Member. A Member who is the holder of two or more shares may appoint more than two proxies to represent him and vote on his behalf at a general meeting of the Company or at a class meeting.
79. (i) 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 notarially certified copy of such power or authority, shall be delivered at the Office (or at such other place in Hong Kong as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting or poll concerned.
- (ii) Instruments of proxy shall be in any common two way form or in such other two way form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on 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 of the meeting as for the meeting to which it relates.

## **DIRECTORS**

80. Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (disregarding alternate Directors) shall be not less than two.
81. A Director need not hold any qualification shares but shall nevertheless be entitled to receive notice of and to attend and speak at all general meetings of the Company.
82. Each of the Directors shall be paid a fee for their services at such rate as may be determined from time to time by the Board.
83. Subject to the provisions of these Articles and the Ordinance, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles.

84. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these Articles to appoint any person to be a Director and subject to the Ordinance, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed any maximum number fixed by or in accordance with these Articles. Any Director so appointed by the Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the Directors or the number of the Directors who are to retire by rotation at such meeting.
85. The Company may by ordinary resolution passed at a general meeting remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person in his place. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.
86. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registered office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such Notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

## **DISQUALIFICATION OF DIRECTORS**

87. Without prejudice to the provisions for retirement by rotation hereinafter contained, the office of a Director shall be vacated in any of the events following, namely if:–
- (i) (not being an Executive Director whose contract precludes resignation) he resigns his office by notice in writing delivered to the Office or tendered at a meeting of the Board;
  - (ii) by notice in writing delivered to the Office or tendered at a meeting of the Board his resignation is requested by all of the other Directors;
  - (iii) if he is, or may be, suffering from mental disorder and an order is made by a court claiming jurisdiction in that behalf (whether in Hong Kong or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person by whatever name called to exercise powers with respect to his property of affairs;
  - (iv) he is absent, without leave, from meetings of the Board (whether or not an alternate Director appointed by him attends) for twelve consecutive months, and the Board resolves that his office is vacated;
  - (v) he becomes bankrupt or compounds with his creditors;
  - (vi) he is prohibited by law from being a Director; or
  - (vii) he ceases to be a Director by virtue of the Ordinance or is removed from office pursuant to these Articles.

## **ROTATION OF DIRECTORS**

88. (i) At every annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting.
- (ii) The Directors to retire on each occasion shall be those who have been longest in office since their last election, but as between persons who became or were re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the date of the notice convening the annual general meeting, and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after the date of such notice but before the close of the meeting.
- (iii) A retiring Director shall be eligible for re-election.
- (iv) Subject to the provisions of these Articles, the Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by electing a person thereto and in default the retiring Director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

## **EXECUTIVE DIRECTORS**

89. The Board may from time to time appoint one or more of its body to be Managing Director or to hold any other employment or executive office with the Company for such period (subject to the Ordinance) and upon such terms and conditions as the Board may determine and 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 service between him and the Company which may be involved in such revocation or termination.
90. An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

## **ALTERNATE DIRECTORS**

91. (i) Each Director shall have the power to 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 notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board, or in any other manner approved by 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 Articles shall apply as if he were a Director.
- (ii) 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 Articles relating to Directors and, without prejudice to any liability which he may cause to his appointor under the Ordinance or otherwise, shall be responsible to the Company for his acts and defaults, and he shall be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid reasonable expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director.
- (iii) 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.
- (iv) 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 this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

## **ADDITIONAL REMUNERATION AND EXPENSES**

92. Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Board or committees of the Board or general meetings or any other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Any Director who, by request, goes or resides outside the jurisdiction in which he normally resides for any purposes 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 or the Company in general meeting may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

## **DIRECTORS' INTERESTS ETC.**

93. (i) Subject to the Statutes, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise, nor (subject to the interest of the Director being duly declared) shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (ii) A Director may hold any other office or place of profit with the Company (except that of the Auditor) in conjunction with his office of Director for such period (subject to the Statutes) and upon such terms as the Directors may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the Directors may decide, either in addition to or in lieu of any remuneration under any other provision of these Articles.
- (iii) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditors of the Company.
- (iv) Any Director may continue to be or become a member or director of, or hold any other office or place of profit under, any other company in which the Company may be interested, and no such Director shall be accountable for any dividend, remuneration, superannuating payment or other benefits received by him as a member or director of, or holder of any other office or place of profit under, any such other company. The Directors may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as they think fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company or in favour of the payment of remuneration to the directors or officers of the other company.

- (v) If a Director or any of his associates or an entity connected with the Director is, in any way, whether directly or indirectly, interested in a transaction, arrangement or contract or a proposed transaction, arrangement or contract with the Company, the Director shall, if such transaction, arrangement or contract or proposed transaction, arrangement or contract is significant in relation to the Company's business and the Director's interest or the interest of his associate or the entity connected with the Director (as applicable) is material, declare the nature and extent of his interest or the interest of his associate or the entity connected with the Director (as applicable) in accordance with:
  - (a) sections 536 to 538 of the Ordinance and these Articles; and
  - (b) any requirements prescribed by the Company for the declaration of interests of Directors in force from time to time.
- (vi) A declaration of interest by a Director under Article 93(v) in a transaction, arrangement or contract that has been entered into must be made as soon as reasonably practicable and a declaration of interest by a Director under Article 93(v) in a proposed transaction, arrangement or contract must be made before the Company enters into the transaction, arrangement or contract.
- (vii) A declaration of interest by a Director must be:
  - (a) made at a Directors' meeting;
  - (b) made by a notice in writing and sent by the Director to the other Directors; or
  - (c) made by a general notice by the Director.
- (viii) A notice for the purposes of Article 93(vii)(b) must be sent:
  - (a) in hard copy form or, if the recipient has agreed to receive it in electronic form, in the electronic form so agreed; and
  - (b) by hand or by post or if the recipient has agreed to receive it by electronic means, by the electronic means so agreed.
- (ix) If a declaration to Directors under Article 93(v) is made by notice in writing:
  - (a) the making of the declaration is to be regarded as forming part of the proceedings at the next Directors' meeting after the notice is given; and
  - (b) section 481 of the Ordinance applies as if the declaration had been made at that meeting.

- (x) A general notice by a Director for the purposes of Article 93(vii)(c) is a notice to the effect that:
  - (a) the Director has an interest (as member, officer, employee or otherwise) in a body corporate or firm specified in the notice, and is to be regarded as interested in any transaction, arrangement or contract that may, after the effective date of the notice, be entered into by the Company with the specified body corporate or firm; or
  - (b) the Director is connected with a person specified in the notice (other than a body corporate or firm), and is to be regarded as interested in any transaction, arrangement or contract that may, after the effective date of the notice, be entered into by the Company with the specified person.
- (xi) A general notice under Article 93(vii)(c) must state:
  - (a) the nature and extent of the Director's interest in the specified body corporate or firm; or
  - (b) the nature of the Director's connection with the specified person.
- (xii) A general notice must be given at a Directors' meeting, or in writing and sent to the Company.
- (xiii) A general notice given at a Directors' meeting takes effect on the date of the Directors' meeting. A general notice given in writing and sent to the Company takes effect on the 21st day after the day on which it is sent to the Company.
- (xiv) A Director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each Director and in that case each of the Directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.

- (xv) A Director shall also not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any transaction, arrangement or contract or other proposal in which he or any of his associates or any entity connected with him has an interest which is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:
- (a) the giving to him or any of his associates or any entity connected with him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
  - (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself or any of his associates or any entity connected with him has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (c) where the Company or any of its subsidiaries is offering securities in which offer the Director or any of his associates or any entity connected with him is or may be entitled to participate as a holder of securities or in the underwriting or sub- underwriting of which any of them is to participate;
  - (d) any contract in which he or any of his associates or any entity connected with him is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company;
  - (e) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates, any entity connected with them and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associates or any entity connected with him as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
  - (f) any contract for the benefit of employees of the Company or of any of its subsidiaries under which the Director or any of his associates or any entity connected with him benefits in a similar manner to the employees and which does not accord to any Director or any of his associates or any entity connected with him as such any privilege or advantage not accorded to the employees to whom the contract relates; and
  - (g) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.

References in this paragraph (xv) to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.

- (xvi) If any question arises at any meeting as to the materiality of an interest of a Director (other than the chairman of the meeting) or any of his associates or any entity connected with him or as to the entitlement of any Director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates or any entity connected with him concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting or any of his associates or any entity connected with him and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the Directors (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman or any of his associates or any entity connected with him, so far as known to him, has not been fairly disclosed.
- (xvii) For the purposes of this Article, references to an entity connected with a Director shall be construed in accordance with section 486 of the Ordinance.
- (xviii) Subject to the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

## **BORROWING POWERS**

94. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow, or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or any part thereof.
95. (i) The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures, debenture stock, bonds or other securities of the Company whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (ii) 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.
- (iii) Any debentures, debenture stock, bonds or other securities 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.
96. The Board shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Ordinance, in regard to the registration of mortgages and charges therein specified and otherwise.

97. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled by notice to the Members, or otherwise, to obtain priority over such prior charge.

### **POWERS AND DUTIES OF THE BOARD**

98. (i) The business of the Company shall be managed 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 Ordinance or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Ordinance and of these Articles 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.
- (ii) The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.
- (iii) The Board may establish any boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such boards, may appoint any person, firm or company as managers or agents for the management of the whole or such part of the activities of the Company (and in particular, but without limitation, may appoint any company, firm or person to be the Company's investment manager), and may in each case fix their remuneration. The Board may delegate to any such board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board, with power to sub-delegate, and may authorise the members of any such 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.
- (iv) 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 Articles) 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.

- (v) 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.
  - (vi) The Company may exercise all the powers conferred by the Ordinance with regard to having official seals and such powers shall be vested in the Board.
  - (vii) Subject to the provisions of the Ordinance, the Company may keep an overseas or local or other register in any place, and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register.
  - (viii) 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.
  - (ix) The Board shall cause minutes or records to be made in books provided for the purpose:–
    - (a) of all appointments of officers made by the Board;
    - (b) of the names of the Directors present at each meeting of the Board or committee of the Board; and
    - (c) of all resolutions and proceedings at all meetings of the Company and of the holders of any class of shares in the Company and of the Board and of any committee of the Board.
99. The Board on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a Director or former Director who has not been an Executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director without the approval of an ordinary resolution of the Company. A Director or former Director shall not be accountable to the Company or the Member for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.
100. The Board may, by resolution, exercise any power conferred by the Ordinance to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer to any person for the whole or part of the undertaking of the Company or that subsidiary.

## PROCEEDINGS OF THE BOARD

101. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. 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. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting.
102. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from Hong Kong may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively.
103. 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. 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 Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
104. 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 Articles, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.
105. The Board may elect a chairman and one or more Deputy Chairmen of its meetings and determine the period for which they are respectively to hold such office. If no such chairman or Deputy chairman is elected, or if at any meeting neither the chairman nor any Deputy chairman is present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
106. 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.

107. The Board may delegate any of its powers authorities and discretions to any committee, consisting of such one or more Directors of the Company, together with such other persons, as it thinks fit, provided that, in the case of a committee consisting of two or more members, the majority of its members are Directors of the Company and no meeting of such committee shall be quorate for the purpose of exercising any of such powers authorities or discretions unless a majority of those present are Directors of the Company. 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.
108. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles 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 Article.
109. A resolution in writing signed or approved by all the Directors for the time being entitled to receive notice of a meeting of the Board (provided that number is sufficient to constitute a quorum) or by all the members of a committee for the time being shall be as valid and effectual as a resolution passed at a meeting of the Board, or, as the case may be, of such committee duly called and constituted. A written notification of confirmation of such resolution in writing given by a Director to the Board by any means shall be deemed to be his signature to such resolution in writing for the purposes of this Article. 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 members of the committee concerned.
110. All acts done by the Board or by any committee or by any person acting as a Director or member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

### **SECRETARY**

111. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary so appointed may be removed by the Board.
112. A provision of the Ordinance or these Articles 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.

## **SEALS**

113. (i) The Board shall provide for the custody of every Seal.
- (ii) A Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that respect. Subject as otherwise provided in these Articles, any instrument to which the common seal is affixed shall be signed by any two Directors or one Director and the Secretary, or such other person or persons as the Board may from time to time by resolution appoint for the purpose, and any instrument to which an official seal is affixed need not, unless the Board for the time being otherwise determines or the law otherwise requires, be signed by any person.
- (iii) At the absolute discretion of the Company and subject to the Statutes and any rules prescribed by any Relevant Exchange, every certificate of shares or that which represents any other securities in the Company may be issued under a seal or under any official seal kept by the Company pursuant to section 126 of the Ordinance.
- (iv) Each certificate to which such official seal as is referred to in paragraph (iii) of this Article shall be affixed need not bear any signatures.
114. Any document executed in accordance with section 127(3) of the Ordinance and expressed (in whatever words) to be executed by the Company shall have the same effect as if it had been executed under seal.

## **DIVIDENDS AND OTHER PAYMENTS**

115. Subject to the Ordinance and as hereinafter set out, 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.
116. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:-
- (i) 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 Article as paid up on the share; and
- (ii) 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.

117. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justifiable according to the financial position of the Company; the Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such position, in the opinion of the Board, justifies such payment. If the share capital is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. Provided the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
118. 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 in respect of shares of the Company.
119. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
120. (i) In respect of any dividend proposed to be paid or declared by resolution of the Board or of the Company in general meeting, the Board may further resolve and announce prior to or contemporaneously with the payment or declaration of such dividend:—
- (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 Members entitled thereto may elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:—
- (A) the basis of any such allotment shall be determined by the Board;
- (B) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the 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;
- (C) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
- (D) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected share") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non- elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of any of the Company's reserve accounts or profit and loss account or amounts otherwise available for distribution 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

- (b) that Members entitled to such dividend 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:–
- (A) the basis of any such allotment shall be determined by the Board;
  - (B) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the 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;
  - (C) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
  - (D) 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 and in satisfaction 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 any of the Company’s reserve accounts or profit and loss account or amounts otherwise available for distribution 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.
- (ii) The shares allotted pursuant to the provisions of paragraph (i) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:–
- (a) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
  - (b) in any other distribution, bonus or right paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (a) and (b) of paragraph (i) of this Article in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (i) of this Article shall rank for participation in such distribution, bonus or rights.

- (iii) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (i) of this Article with full power to the Board to make such provision as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled or are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into, on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
  - (iv) 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 (i) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to the Members to elect to receive such dividend in cash in lieu of such allotment.
121. (i) 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. 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.
- (ii) The Company may cease to send any cheque or warrant through the post for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed but, subject to the provisions of these Articles, shall recommence sending cheques or warrants in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.
122. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividend, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

123. Any general meeting declaring a dividend may by ordinary resolution, upon the recommendation of the Board, direct payment or satisfaction of such dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

### **RESERVES**

124. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purposes for 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. The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to distribute.

### **CAPITALISATION OF PROFITS**

125. The Company, may upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the basis 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 payment up in full of the issue price of any shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, any reserve or fund representing unrealised profits, may be applied only in paying up in full the issue price of any shares of the Company to be allotted to such Members credited as fully paid.
126. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates 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.

## RECORD DATES

127. Notwithstanding any other provision of these Articles the Company or the Board may fix any date as the record date for any dividend, distribution, allotment or issue and such record date may be on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared, paid or made.

## ACCOUNTING RECORDS

128. The Board shall cause to be kept such accounting records as are required to be kept by law.
129. The accounting records shall be kept at the Office or, subject to the Ordinance, at such other place or places as the Board may think fit and shall always be open to inspection by the officers of the Company. No Member (other than an officer 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.
130. (i) The Directors shall, from time to time, in accordance with the Statutes, cause to be prepared and to be laid before the annual general meeting of the Company, a copy of the reporting documents for the financial year as are required by the Statutes. Each statement of financial position that forms part of any financial statements of the Company shall be signed on behalf of the Directors by two of their number. The Directors may also cause to be prepared any summary financial report as they think fit in accordance with the Statutes.
- (ii) Subject to paragraph (iii) below, a copy of the relevant reporting documents or the summary financial report shall, not less than 21 days before the meeting, be delivered or sent by post to the registered address of every Member and debenture holder of the Company, or in the case of a joint holding to that Member or debenture holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.
- (iii) Where a Member or debenture holder of the Company has, in accordance with the Statutes and any rules prescribed by any Relevant Exchange from time to time, consented or is deemed to have so consented to treat the publication of the reporting documents and/or the summary financial report on the Company's website as discharging the Company's obligation under the Ordinance to send a copy of the relevant financial documents and/or the summary financial report, then subject to compliance with the publication and notification requirements of the Statutes and any rules prescribed by any Relevant Exchange from time to time, publication by the Company on the Company's website of the reporting documents and/or the summary financial report at least 21 days before the date of the meeting shall, in relation to each such Member or debenture holder of the Company, be deemed to discharge the Company's obligations under paragraph (ii) above.
- (iv) For the purposes of this Article, "reporting documents" and "summary financial report" shall have the meaning ascribed to them in the Ordinance.

## AUDIT

131. (i) The provisions of the Statutes as to the appointment, removal, powers, rights, remuneration and duties of the Auditors shall be complied with and, subject to the provisions of the Statutes, all acts done by any person acting as an auditor of the Company shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment, or subsequently became, disqualified.
- (ii) An auditor of the Company shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any Member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns him as Auditor.

## SERVICE OF NOTICES AND OTHER DOCUMENTS

132. (i) Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time and except where otherwise expressly stated, any notice, document or other information to be given to or by any person pursuant to these Articles shall be in writing. A notice calling a meeting of the Directors need not be in writing.
- (ii) Any notice, document or other information in writing may, in accordance with these Articles and subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, be:
- (a) given in hard copy form;
  - (b) given in electronic form;
  - (c) given by electronic means; or
  - (d) made available on the Company's website.
133. (i) Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, a notice, document or any other information may be served on, delivered to or made available by the Company to any Member:
- (a) personally or by sending it by mail, postage prepaid (and, in any case where the registered address of a Member is outside Hong Kong, by prepaid airmail), addressed to such Member at his registered address or by leaving it at that address addressed to the Member or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating in Hong Kong; or
  - (b) in respect of notices, documents or other information that, under the Statutes and any rules prescribed by any Relevant Exchange from time to time, may be sent in electronic form or by electronic means or by making it available on the Company's website, in the manner set out in paragraph (ii) below.

- (ii) For the purposes of sub-paragraph (i)(b) above, the Company may deliver or make available a notice, document or any other information to any Member:
  - (a) in electronic form or by mail in the manner set out in sub-paragraph (i)(a) above or by electronic means to the address specified by such Member to the Company for such purpose or by making it available on the Company's website provided that, in each case, such Member has consented, in the manner permitted in the Statutes and any rules prescribed by any Relevant Exchange from time to time, to the Company communicating with such Member in such form or manner; or
  - (b) by any other means authorised in writing by the Member concerned.

For the purposes of making available notices, documents or any other information to a Member on the Company's website, the Company shall notify that Member that such notice, document or other information has been made available on the Company's website in the manner prescribed by the Statutes and any rules prescribed by any Relevant Exchange from time to time.

- (iii) A Member may revoke his agreement that notices, documents or other information may be sent or supplied to such Member in electronic form or by electronic means or made available to such Member through the Company's website in accordance with sub-paragraph (ii)(a) above by sending a notice of revocation to the Company within such period and in such manner as may be specified under the Statutes and any rules prescribed by any Relevant Exchange from time to time.
  - (iv) Upon a Member receiving from the Company a notice, document or other information in electronic form or by electronic means or by the Company making such notice, document or information available on its website, such Member may request that the Company send or supply to such Member such notice, document or information in hard copy form. The Company shall, upon receiving such request from a Member, in accordance with the Statutes and any rules prescribed by any Relevant Exchange from time to time, send or supply to such Member such notice, document or information requested in hard copy form free of charge.
  - (v) Any notice, document or other information may be served or delivered by the Company by reference to the Register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice, document or other information is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of such notice, document or information.
134. Each Member shall, from time to time, notify in writing to the Company some place which shall be deemed his registered address for the purposes of the last preceding Article.
135. Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, all notices, documents or other information directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register in respect of such share, and such notices, documents or information so given shall be deemed to have been given to all the holders of such share.

136. (i) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it by mail, postage prepaid (and, if posted outside Hong Kong, by prepaid airmail), addressed to the Company or to such officer at the Office.
- (ii) The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of communications by electronic means, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.
137. Subject to the Statutes and any rules prescribed by any Relevant Exchange from time to time, a notice, document or any other information served, delivered or issued by or on behalf of the Company:
- (i) if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which such notice, document or other information was put in the post. In proving such service it shall be sufficient to prove that the relevant notice, document or other information was properly addressed and put into the post as prepaid mail or prepaid airmail (as the case may be);
- (ii) if left by the Company at a registered address of a Member, shall be deemed to have been served or delivered on the day it was left;
- (iii) if published by way of advertisement, shall be deemed to have been served or delivered on the day it was published;
- (iv) if sent by electronic means, other than by making it available on the Company's website, shall be deemed to have been served or delivered 24 hours following the time that such communication was sent;
- (v) If made available by the Company on its website, shall be deemed to have been served or delivered 24 hours from the later of (i) the time that such notice, document or other information was first made available on the Company's website; and (ii) the time that a Member was notified of the presence of such notice, document or other information on the Company's website; and
- (vi) if sent by any other means authorised in writing by the Member concerned, shall be deemed to have been served or delivered when the Company has carried out the action it has been authorised to take for that purpose.
138. Any Member present, either personally or by proxy, at any meeting of the Company or class of Members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.
139. Every person who, by operation of law, transfer or any other means whatsoever, shall become entitled to any shares shall be bound by every notice, document or other information in respect of such shares which, prior to his name and address being entered in the Register, was duly served on or delivered to the person from whom he derives his title to such shares.

140. Any notice, document or other information served upon or delivered to or left at the registered address of any Member in pursuance of these Articles, shall, notwithstanding that such Member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served or delivered in respect of any share held by such Member, whether held solely or jointly with other persons, until some other person be registered instead of him as the holder or joint holder of such share, and such service or delivery shall, for all purposes of these Articles, be deemed a sufficient service or delivery of such notice, document or other information on his executors, administrators or assigns, and all persons (if any) jointly interested him in such share.
141. The signature on any notice, document or other information to be given by the Company may be written or printed.

### **DESTRUCTION OF DOCUMENTS**

142. The Company may destroy:–

- (i) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (ii) 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 years from the date such mandate variation cancellation or notification was recorded by the Company;
- (iii) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- (iv) any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that:–

- (a) the foregoing provisions of this Article 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;
- (b) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (c) references in this Article to the destruction of any document include references to its disposal in any manner.

## WINDING UP

143. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Ordinance, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such values as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole of any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other assets upon which there is any liability.

## INDEMNITY

144. Subject to the provisions of the Statutes, every Director, Executive Director, manager, Secretary, officer, auditor or other officer of the Company and every member of a committee shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

145. To the extent permitted by the Statutes, the Company may purchase and maintain for any Director or director of an associated company of the Company insurance against any liability.

## UNTRACEABLE MEMBERS

146. The Company may sell any shares in the Company, in such manner as the Board thinks fit, if—

- (i) all cheques or warrants in relation to the payment of dividends, 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 Articles of the Company have remained uncashed or unclaimed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death bankruptcy or operation of law; and
- (iii) the Company has by advertisement in one or more newspapers circulating in Hong Kong, given notice of its intention to sell such shares (which intention shall be notified to the Relevant Exchange also) and a period of three months 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 (iii) above and ending at the expiry of the period referred to in that paragraph.

147. 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 moneys 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 moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

The following table sets out the details of the initial subscribers of the Company.

Names, Addresses and Descriptions of Subscribers
<p>CHU KONG SHIPPING COMPANY, LIMITED</p> <p>(Sd.) Y.M. ZHOU, Director 7/F., 28 Connaught Road West Hong Kong</p> <p>Corporation</p>
<p>(Sd.) LIANG HONGFA ( 梁洪發 ) Flat A, 15/F., Tai Hing Building 26 Po Hing Fong, Sheung Wan Hong Kong</p> <p>Merchant</p>

Dated the 29th day of August, 1996.

WITNESS to the above signatures:—

(Sd.) Simon Yung  
30th Floor  
Jardine House  
One Connaught Place  
Hong Kong.

Solicitor