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FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00037)

**PROPOSALS FOR
GENERAL MANDATES
TO ISSUE SHARES AND TO BUY BACK SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION; AND
NOTICE OF ANNUAL GENERAL MEETING**

The terms used on this cover page shall have the same meanings as those defined in the section headed "Definitions" of this circular.

A notice convening the 2023 AGM of Far East Hotels and Entertainment Limited to be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Wednesday, 13 September 2023 at 3:00 p.m. is set out on pages 89 to 93 of this circular. If you are not able to attend the 2023 AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to Tricor Standard Limited, the Share Registrar of the Company at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the 2023 AGM or its adjournment thereof (as the case may be) (excluding any public holiday in Hong Kong). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2023 AGM or its adjournment should you wish and in such event, the form of proxy should be deemed to be revoked.

Hong Kong, 31 July 2023

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This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.

DEFINITIONS

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

“2023 AGM”	the annual general meeting of the Company to be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Wednesday, 13 September 2023 at 3:00 p.m., notice of which is set out on pages 89 to 93 of this circular
“Articles of Association”	articles of association of the Company as amended from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“Buy-back Mandate”	the general mandate to be unconditionally given to the Directors to buy back Shares up to 10% of the aggregate number of Shares in issue, the particulars of which are set out in resolution no. 6 of the notice of the 2023 AGM
“Buy-back Proposal”	the proposal as described in the Buy-back Resolution whereby a general mandate is to be unconditionally given to the Directors to exercise the powers of the Company to buy back Shares up to 10% of the aggregate number of Shares in issue as at the date of passing the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as set out in resolution no. 6 of the notice of the 2023 AGM
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong as amended, supplemented or otherwise modified from time to time
“Company”	Far East Hotels and Entertainment Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 00037)
“controlling shareholders”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Existing Articles”	the existing articles of association of the Company and a reference to an “Existing Article” is a reference to a provision in the Existing Articles
“Group”	the Company and its subsidiaries from time to time
“Issue Mandate”	the general mandate to be unconditionally given to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue, the particulars of which are set out in resolution no. 5 of the notice of the 2023 AGM
“Latest Practicable Date”	21 July 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“New Articles”	the new Articles of Association to be considered and approved for adoption by the Shareholders at the 2023 AGM and a reference to a “New Article” is a reference to a provision in the New Articles
“Nomination Committee”	the nomination committee of the Board
“Previous Companies Ordinance”	the previous Companies Ordinance, Chapter 32 of the Laws of Hong Kong, which has been replaced almost in its entirety by the Companies Ordinance
“Remuneration Committee”	the remuneration committee of the Board
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Shares Buy-backs as amended, supplemented or otherwise modified from time to time and administered by the Securities and Futures Commission of Hong Kong
“HK\$” and “cents”	Hong Kong dollars and cents, respectively
“%”	per cent

LETTER FROM THE BOARD



FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00037)

Executive Directors:

Derek Chiu, B.Sc.

(Chairman, Managing Director and Chief Executive)

Amanda Chiu, B.A.

Registered and Principal Office:

Suite 1902, 19th Floor

The Sun's Group Centre

200 Gloucester Road

Wanchai, Hong Kong

Non-executive Directors:

Chiu Ju Ching Lan, J.P.

Alex Chiu, B.Sc.

Independent Non-executive Directors:

Ip Shing Hing, B.B.S., J.P.

Ng Wing Hang Patrick

Choy Wai Shek Raymond, M.H., J.P.

Ng Chi Kin

31 July 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES
TO ISSUE SHARES AND TO BUY BACK SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION; AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice convening the 2023 AGM and information regarding the resolutions to be proposed at the forthcoming 2023 AGM. These include the resolutions (i) granting the Directors general mandates to issue Shares and buy back Shares and to extend the Issue Mandate to include Shares bought back under the Buy-back Mandate, (ii) relating to the re-election of retiring Directors, and (iii) the proposed adoption of the New Articles.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved by its then Shareholders at the annual general meeting of the Company held on 9 September 2022. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the 2023 AGM.

An ordinary resolution will be proposed at the 2023 AGM that the Directors be granted a new general and unconditional mandate to allot, issue, and deal with Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the resolution approving the Issue Mandate.

As at the Latest Practicable Date, there was a total of 752,529,810 Shares in issue. Subject to the passing of the resolution granting the Issue Mandate and on the basis that no further Shares are issued or bought back and cancelled before the 2023 AGM date, the Company will be allowed to issue a maximum of 150,505,962 Shares under the Issue Mandate.

GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 9 September 2022, a general mandate was given to the Directors to exercise the power of the Company to buy back the Shares. Such mandate will lapse at the conclusion of the 2023 AGM. Therefore, at the 2023 AGM, an ordinary resolution will be proposed that the Directors be granted a new general and unconditional mandate to exercise all powers of the Company to buy back the Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, up to 10% of the aggregate number of Shares in issue as at the date of the resolution approving the Buy-back Mandate.

As at the Latest Practicable Date, there was a total of 752,529,810 Shares in issue. Subject to the passing of the resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back and cancelled before the 2023 AGM date, the Company will be allowed to buy back a maximum of 75,252,981 Shares. An explanatory statement, as required by the relevant provisions set out in the Listing Rules, to provide requisite information to you for consideration of the Buy-back Proposal is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions at the 2023 AGM. The Directors propose to seek your approval of the Buy-back Resolution to be proposed at the 2023 AGM.

LETTER FROM THE BOARD

EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Buy-back Mandate, an ordinary resolution will be proposed at the 2023 AGM adding any Shares bought back under the Buy-back Mandate to the Issue Mandate. The Buy-back Mandate and the Issue Mandate will continue in force until the conclusion of the next annual general meeting of the Company unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the Shareholders in a general meeting held prior to the next annual general meeting of the Company.

RE-ELECTION OF RETIRING DIRECTORS

The Board comprises eight Directors, of which two are executive Directors, namely Mr. Derek Chiu and Ms. Amanda Chiu; two are non-executive Directors, namely Madam Chiu Ju Ching Lan and Mr. Alex Chiu; and four are independent non-executive Directors, namely Mr. Ip Shing Hing, Mr. Ng Wing Hang Patrick (“Mr. Patrick Ng”), Mr. Choy Wai Shek Raymond (“Mr. Choy”) and Mr. Ng Chi Kin (“Mr. Ng”).

In accordance with Articles 78 and 79 of the Articles of Association, Mr. Patrick Ng and Mr. Choy will retire by rotation at the 2023 AGM and being eligible, have offered themselves for re-election at the 2023 AGM.

Pursuant to Article 83 of the Articles of Association, Mr. Ng who was appointed as a Director with effect from 19 July 2023 by the Board shall hold office only until the 2023 AGM and being eligible, has offered himself for re-election at the 2023 AGM.

Pursuant to code provision B.2.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, Mr. Patrick Ng and Mr. Choy have served as independent non-executive Directors for more than nine years and re-election of each of them will be subject to a separate resolution to be approved by the Shareholders. Mr. Patrick Ng and Mr. Choy have never held any executive or management position in the Group nor have they throughout such period been under the employment of any member of the Group. The Directors noted the positive contributions of Mr. Patrick Ng and Mr. Choy to the development of the Company’s strategy and policies through independent, constructive and informed contributions supported by their skills, expertise and qualifications and from their active participation at meetings. Mr. Patrick Ng and Mr. Choy have given the annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules to the Company and the Nomination Committee has assessed and is satisfied with the independence of Mr. Patrick Ng and Mr. Choy. Hence, the Board considers that the long service of Mr. Patrick Ng and Mr. Choy would not affect their exercise of independent judgments.

LETTER FROM THE BOARD

The Nomination Committee has also evaluated the performance of each of the retiring Directors during the year ended 31 March 2023 based on the nomination policy of the Company which was disclosed in the annual report of the Company and found their performance satisfactory. The Nomination Committee also considered that the experience of Mr. Patrick Ng, Mr. Choy and Mr. Ng, as well as their skills and other perspectives as set out in Appendix II to this circular can bring further contributions to the Board and its diversity. Therefore, upon the nomination by the Nomination Committee, the Board has proposed the re-election of the retiring Directors. Such proposal will be put forward at the 2023 AGM for Shareholders' consideration and approval by way of ordinary resolutions. Each of Mr. Patrick Ng, Mr. Choy and Mr. Ng abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the 2023 AGM. The Board also believes that the continuous appointment of the retiring Directors contributes to the stability and diversity of the Board.

Details of the above retiring Directors that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

PROPOSED ADOPTION OF NEW ARTICLES

Since the last revision of the Existing Articles in 2008, (a) the Companies Ordinance has come into effect on 3 March 2014 which replaced the Previous Companies Ordinance in its entirety; and (b) there have been various amendments to the Listing Rules and changes in the corporate practices and circumstances of the Company. As such, the Board proposes to adopt the New Articles in substitution for, and the exclusion of, the existing memorandum and the Existing Articles to (a) align the Company's existing constitutional documents with the Companies Ordinance; (b) bring the Existing Articles in line with the relevant requirements of the Listing Rules (including the core shareholder protection standards set out in Appendix 3 to the Listing Rules); (c) allow the Company to send or supply corporate communications to its Shareholders by electronic means pursuant to the Listing Rules; (d) allow the Company to hold hybrid and electronic meetings of its Shareholders; and (e) introduce corresponding and house-keeping amendments.

An explanatory statement on the adoption of the New Articles is set out in Appendix III to this circular.

The proposed adoption of the New Articles is subject to approval by the Shareholders by way of a special resolution at the 2023 AGM and shall take immediate effect upon the close of the 2023 AGM at which the relevant special resolution has been passed.

A copy of the complete set of the New Articles is set out in Appendix IV to this circular. The New Articles is written in English. There is no official Chinese translation in respect thereof. Therefore, the Chinese version of the New Articles is purely a translation and for reference only. Should there be any discrepancy, the English version shall prevail.

LETTER FROM THE BOARD

The legal adviser to the Company as to Hong Kong laws has confirmed that the New Articles comply with the requirements of the Listing Rules and the laws of Hong Kong. The Company confirms that there is nothing unusual about the New Articles for a Hong Kong company listed in Hong Kong.

NOTICE OF 2023 AGM

A notice convening the 2023 AGM is set out on pages 89 to 93 of this circular. A form of proxy for use in connection with the 2023 AGM appointing proxy is despatched with this circular and published on the respective websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.tricor.com.hk/web/service/00037). If you do not intend to attend the 2023 AGM in person but wish to exercise your right as a Shareholder, you are requested to complete the form of proxy and return it to Tricor Standard Limited, the Share Registrar of the Company at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours before the time appointed for the holding of the 2023 AGM or its adjourned meeting (as the case may be) (excluding any public holiday in Hong Kong). Completion and return of a form of proxy will not preclude you from attending and voting at the 2023 AGM and its adjournment if you so wish and in such event, the form of proxy should be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions to be proposed at the 2023 AGM and contained in the notice of the 2023 AGM will be voted by way of a poll by the Shareholders. The Company will appoint a scrutineer to handle vote-taking procedures at the 2023 AGM. The results of the poll will be published on the respective websites of the Stock Exchange and the Company as soon as possible in accordance with Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the ordinary resolutions in relation to the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate and the re-election of retiring Directors and the special resolution in relation to the proposed adoption of New Articles as set out in the notice of 2023 AGM are in the best interests of the Company and the Shareholders as a whole. The Directors, therefore, recommend the Shareholders to vote in favour of each of the above ordinary resolutions and the special resolution as set out in the notice of the 2023 AGM.

Yours faithfully,

For and on behalf of the Board

Far East Hotels and Entertainment Limited

DEREK CHIU

Executive Director, Chairman, Managing Director and Chief Executive

APPENDIX I EXPLANATORY STATEMENT ON SHARES BUY-BACK

This appendix serves as an explanatory statement, as required pursuant to Rule 10.06(1)(b) of the Listing Rules, to provide certain information to you for your consideration of the Buy-back Mandate, and also constitutes the memorandum as required under section 239(2) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total issued Shares were 752,529,810 Shares.

Subject to the passing of the resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back and cancelled before the 2023 AGM date, the Company will be allowed to buy back up to 75,252,981 Shares, representing approximately 10% of the aggregate number of Shares in issue as at the date of passing of the relevant resolution.

2. REASONS FOR BUY-BACK

The Directors believe that the Buy-back Proposal is in the best interests of the Company and the Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

3. FUNDING OF BUY-BACK

Any buy-back made pursuant to the Buy-back Mandate will be funded out of funds legally available for such purpose in accordance with the Articles of Association and the Companies Ordinance. Such funds include distributable profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the buy-back.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 March 2023) in the event that the Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors will not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels of the Company.

4. SHARE PRICES

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

	Share Prices Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2022		
July	0.860	0.720
August	0.740	0.600
September	0.650	0.520
October	0.630	0.470
November	0.740	0.510
December	0.730	0.610
2023		
January	0.790	0.670
February	0.750	0.670
March	0.730	0.670
April	1.140	0.650
May	1.100	0.810
June	0.950	0.850
July (up to and including the Latest Practicable Date)	2.040	0.850

5. UNDERTAKING AND DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Buy-back Mandate in accordance with the Listing Rules and the applicable laws and regulations of Hong Kong.

None of the core connected persons has notified the Company that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Buy-back Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If, as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Takeovers Code further provides that where any person who together with persons acting in concert, holds not less than 30% but not more than 50% of the voting rights, acquires in any period of twelve months additional shares carrying more than 2% of the voting rights, such a person should make a general/mandatory offer to the other shareholders of the same class to acquire as soon as practicable thereafter the remaining shares of the same class.

As at the Latest Practicable Date, Mr. Derek Chiu, Ms. Amanda Chiu, Madam Chiu Ju Ching Lan, Mr. Choy Wai Shek Raymond and Mr. Ng Chi Kin, being Directors together with their respective close associates were beneficially interested in an aggregate of 309,726,384 Shares, representing approximately 41.16% of the issued Shares. Based on such shareholdings and in the event that the Directors exercised in full the power to buy back Shares under the Buy-back Proposal, if so approved at the 2023 AGM, and assuming no further Shares are issued or bought back and cancelled prior to the date of the 2023 AGM, the shareholdings of Mr. Derek Chiu, Ms. Amanda Chiu, Madam Chiu Ju Ching Lan, Mr. Choy Wai Shek Raymond and Mr. Ng Chi Kin together with their respective close associates would be increased to approximately 45.73% of the issued Shares. Accordingly, an obligation to make a general/mandatory offer in accordance with Rule 26 of the Takeovers Code would be triggered on each Mr. Derek Chiu, Ms. Amanda Chiu, Madam Chiu Ju Ching Lan, Mr. Choy Wai Shek Raymond and Mr. Ng Chi Kin together with their respective close associates. Therefore, the Directors would not implement the Buy-back Mandate to the extent that such a general/mandatory offer may arise under the Takeovers Code as a result of any buy-back made under the Buy-back Proposal.

Based on the information that is publicly available to the Company and within the knowledge of the Directors throughout the year ended 31 March 2023 and up to the Latest Practicable Date, the Company has maintained the prescribed public float under the Listing Rules (i.e. at least 25% of its issued Shares in public hands) as the number of Shares held by the public representing 58.84% of the total number of Shares in issue. In the event that the Buy-back Proposal is exercised in full, the number of Shares held by the public representing 54.27% of the total number of Shares in issue which would not fall below the minimum prescribed percentage of 25% as required by the Listing Rules.

7. SHARE BUY-BACK MADE BY THE COMPANY

The Company had not bought back any of its Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

The following are the particulars of the Directors proposed to be re-elected at the 2023 AGM.

INDEPENDENT NON-EXECUTIVE DIRECTORS**Mr. Ng Wing Hang Patrick**

Aged 70. Mr. Patrick Ng was appointed as an independent non-executive Director on 28 September 2004. He is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Nomination Committee. He is a practising certified public accountant in Hong Kong and is the managing director of Pan-China (H.K.) CPA Limited, a certified public accountants firm in Hong Kong. Mr. Patrick Ng also serves as an independent non-executive director of Shenwan Hongyuan (H.K.) Limited, formerly known as Shenyin Wanguo (H.K.) Limited (stock code: 00218), which is listed on the Stock Exchange.

Mr. Patrick Ng does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company. Save as disclosed above, he has not held in the last three years other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Patrick Ng was interested in share options to subscribe for an aggregate of 6,000,000 Shares. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

No service contract has been entered into between Mr. Patrick Ng and the Company. He receives no emolument from the Company except a director's fee of HK\$180,000 per annum (by reference to the market conditions and as approved by the Shareholders at the latest annual general meeting). The term of office of Mr. Patrick Ng is subject to retirement by rotation and re-election at the 2023 AGM in accordance with the Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Patrick Ng that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Choy Wai Shek Raymond, M.H., J.P.

Aged 74. Mr. Choy was appointed as an independent non-executive Director on 28 September 2004. He is the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee. Mr. Choy is an independent non-executive director of New Concepts Holdings Limited (stock code: 02221), a company listed on the Main Board of the Stock Exchange. He has been appointed as an independent non-executive director of each of AB Builders Group Limited (stock code: 01615), a company listed on the Main Board of the Stock Exchange, on 17 August 2018 and WAC Holdings Limited (stock code: 08619), a company listed on GEM of the Stock Exchange, on 27 August 2018. He was the Chairman of Sham Shui Po District Board, Hong Kong from 1991 to 1994, a Hong Kong Affairs Adviser from 1994 to 1997, and a member of Hong Kong Broadcasting Authority from 1995 to 1998. He was formerly a Vice-chairman of Occupational Safety And Health Council, a member of Energy Advisory Committee, a member of Consumer Council, a member of the Guangzhou Committee of the Chinese People's Political Consultative Conference (Term 9–12), the Honor Committee Member of Chinese General Chamber Of Commerce, Hong Kong, the Honor President of GMC Hong Kong Member Association and the Honor President of Hong Kong Conghua General Association.

Mr. Choy does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company. Save as disclosed above, he has not held in the last three years other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Choy beneficially owns 3,000,000 Shares, representing 0.40% of the entire issued Shares and was interested in share options to subscribe for an aggregate of 4,000,000 Shares. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

No service contract has been entered into between Mr. Choy and the Company. He receives no emolument from the Company except a director's fee of HK\$180,000 per annum (by reference to the market conditions and as approved by the Shareholders at the latest annual general meeting). The term of office of Mr. Choy is subject to retirement by rotation and re-election at the 2023 AGM in accordance with the Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Choy that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Ng Chi Kin

Aged 61. Mr. Ng was appointed as an independent non-executive Director and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee on 19 July 2023. He joined the Company in 1991 and gained promotion as the financial controller of the Company in August 2012 and subsequently retired in January 2020 and was a director of subsidiaries of the Company from July 2012 to July 2020. Mr. Ng has over 20 years of experience in finance and accounting in the hospitality and entertainment industry. He holds a master's degree in business administration from the University of Strathclyde. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. Ng (i) does not have any relationship with any directors, senior management, substantial shareholder or controlling shareholder of the Company; and (ii) has not held in the last three years other directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, Mr. Ng has not held other positions in the Company or other members of the Group or other appointments.

As at the Latest Practicable Date, Mr. Ng was interested in 12,000 Shares, representing approximately 0.002% of the entire issued Shares. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Ng has not entered into a letter of appointment with the Company but he is subject to retirement by rotation and re-election in accordance with the Articles of Association and the Corporate Governance Code contained in Appendix 14 to Listing Rules. He is entitled to a monthly director's fee of HK\$11,000, which is determined by the Board upon the recommendation of the Remuneration Committee with reference to his background, qualification, experience, duties and responsibilities within the Company, as well as the prevailing market conditions. Mr. Ng is subject to retirement by rotation and re-election at the 2023 AGM in accordance with the Articles of Association.

Save as disclosed above, there are no other matters concerning Mr. Ng that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

This Appendix serves as an explanatory statement to provide further information to the Shareholders for their consideration of the proposed adoption of the New Articles.

I. ABOLITION OF THE EXISTING MEMORANDUM

The memorandum of association of a company is abolished under the Companies Ordinance, and all conditions of the memorandum which were in force immediately prior to the commencement of the Companies Ordinance are regarded as provisions of the company's articles (see section 98(1) of the Companies Ordinance), except that the condition relating to the amount of registered share capital of the company and its division into shares of a fixed amount is deemed deleted under the Companies Ordinance (see section 98(4) of the Companies Ordinance).

Given the above, it is proposed that relevant conditions or information in the existing memorandum be retained as part of the New Articles and are included expressly in the New Articles rather than solely relying on the deeming provisions under the Companies Ordinance.

In addition, the "objects" clause of a company incorporated under the Previous Companies Ordinance is contained in its memorandum of association and sets out the scope of activities the company has the power to undertake. Under the Companies Ordinance, a company's "objects" are unrestricted unless its articles of association provide otherwise. In line with the Companies Ordinance, the "objects" clause in the existing memorandum will be eliminated and will not be included in the New Articles.

II. ADOPTION OF THE NEW ARTICLES

It is proposed that the Existing Articles will be replaced in their entirety by the New Articles. Set out below are the principal differences between the Existing Articles and the New Articles.

1. Amendments made to align the Existing Articles with the Companies Ordinance which has come into effect on 3 March 2014

(a) Introductory paragraph and the table setting out the information on the initial subscribers

New Article 1 disapplies the Model Articles for Public Companies Limited by Shares (the "Model Articles") and includes certain provisions contained in the existing memorandum.

It is proposed that the table from the existing memorandum which sets out the information on the initial subscribers of the Company be incorporated at the end of the New Articles. This table includes information regarding the initial shareholding of the Company (which is contained in the existing memorandum).

(b) Nominal value and authorised share capital

The concepts of nominal value and authorised share capital are abolished under the Companies Ordinance. Therefore, provisions which relate to or make references to these concepts and related concepts, including “unissued shares”, “par”, “nominal value”, “nominal amount”, “premium”, “discount”, “share premium account”, “capital redemption reserve fund” and “subscription rights reserve” are re-drafted or deleted as appropriate.

(c) Share warrants to bearer

New Article 3(b) repeals the power of companies to issue share warrants to bearer pursuant to section 139 of the Companies Ordinance.

(d) Variation of class rights

To be in line with sections 180(3) and 623(4) of the Companies Ordinance, New Article 4 requires the written consent of holders representing at least 75 per cent. of the total voting rights of holders of shares in a class to be provided in order for the rights of that class to be varied, and the quorum requirements for a variation of class rights meeting.

(e) Share certificates

New Article 16 provides that every share certificate issued by the Company shall comply with the requirements of section 179 of the Companies Ordinance and that a share certificate shall relate to only one class of shares.

(f) Director’s power to decline to register transfers without giving reasons

Section 151(3) of the Companies Ordinance now requires a company to provide a statement of reasons when a share transfer is refused, if requested by the transferee or the transferor. New Articles 37 and 40 reflect this requirement.

(g) Directors’ powers to deal with securities of the Company

New Article 10 outlines the power of directors to allot shares or grant other rights pursuant to sections 140 and 141 of the Companies Ordinance.

(h) Stock

Existing Article 35 which give the Company the power to convert its shares into stock, are being deleted to reflect the changes introduced by section 138 of the Companies Ordinance which repeals the power of a company to convert its shares into stock.

(i) Alteration of capital

Existing Article 39 provides for the consolidation, cancellation and sub-division of the shares of the Company as section 53 of the Previous Companies Ordinance required companies wishing to have these powers to specifically provide for them in the articles.

New Articles 6 and 58 replace Existing Article 39 streamlines the provisions in the New Articles by aligning them to section 170 of the Companies Ordinance, which modifies the position under the Previous Companies Ordinance and gives a company the statutory power to alter its share capital in a number of ways set out in section 170 of the Companies Ordinance, subject to any exclusion or restriction in the company's articles.

(j) Meeting procedures

The concept of an "extraordinary general meeting" is not retained under the Companies Ordinance, and all general meetings of a company (other than its annual general meetings) are simply referred to as "general meetings".

New Article 59 provides for the annual general meeting shall be held not more than six months after the end of the Company's accounting reference period to align with the requirements under section 610 of the Companies Ordinance.

New Article 62 lays out the notice period for all general meetings of a limited company (except annual general meetings) is 14 days to be line with section 571(1)(b)(i) of the Companies Ordinance.

New Articles 62(b), 68, 69 and 70 allow for general meetings to be held in two or more places and set out the content requirements in a notice of general meeting to be line with sections 576 and 584 of the Companies Ordinance.

(k) Special business

As the concept of "special business" is not included in the Companies Ordinance, any references to "special business" are removed from the New Articles.

(l) Poll

New Article 77 reflects the requirement of section 591(2) of the Companies Ordinance that a poll may be demanded by (a) at least 5 members having the right to vote at the meeting; (b) by a member or members representing at least 5% of the total voting rights of all the members having the right to vote at the meeting; or (c) by the chairperson of the meeting.

In line with section 592 of the Companies Ordinance, New Article 77A includes the mandatory requirement for the chairman of the meeting to demand a poll if the chairman of the meeting, before or on the declaration of the results on a show of hands, knows from the proxies received by the Company that the result on a show of hands will be different from that on a poll.

New Article 78 reflects the statutory requirement under section 594 of the Companies Ordinance to record the result of poll in the minutes of a general meeting.

(m) Members' written resolutions

New Article 81 allows eligible members to pass a written resolution by signifying their agreement to it pursuant to section 556 of the Companies Ordinance. It also incorporates by reference the definitions of "eligible members" and "circulation date" which are set out in section 547 of the Companies Ordinance.

(n) Proxy arrangements

The changes in proxy arrangements in the New Articles are as follows:

- (i) New Article 82 reflects the position under section 588(2) of the Companies Ordinance that, on a vote by show of hands, if a member appoints more than one proxy, none of the proxies so appointed are entitled to vote.
- (ii) New Articles 88 and 89 allow documents relating to proxies to be in electronic form, which reflects the position under the Companies Ordinance.
- (iii) New Articles 89(a), 91 and 92 set out the notice periods for appointing a proxy, and clarify that (a) the calculation of notice periods excludes public holidays in Hong Kong, which reflects the position under the Companies Ordinance; and (b) only documents (e.g. proxy, written notice, etc.) actually received by the Company shall be taken into account by the Company as required by section 598 of the Companies Ordinance. "Public holiday" is inserted as a definition in the New Articles under New Article 2.

(o) Service contracts with Directors

New Article 104(b) reflects the requirement of members' approval for a service contract made by the Company with its Directors for a guaranteed term of employment exceeding three years pursuant to section 534 of the Companies Ordinance.

(p) Declaration of material interest by Directors

New Article 104(g) reflects the disclosure by directors of their and their "connected entities" (as defined in section 486 of the Companies Ordinance) material interests in any transaction, arrangement or contract or any proposed transaction, arrangement or contract with the company of which they are a director pursuant to Part 11, Division 5 of the Companies Ordinance. New Article 104(g) also requires any declaration by a director of his material interests must be made in accordance with the specific timing and procedural requirements under Part 11, Division 5 of the Companies Ordinance.

(q) Register of debenture

New Article 116(b) reflects the requirement of maintaining a register of debenture as required by section 308 of the Companies Ordinance.

(r) Use of seal and execution of documents

New Articles 141(b) and (c) reflect the requirement of sections 126 and 127(5) of the Companies Ordinance that, subject to applicable laws and regulations, allow documents executed in a specified manner to have the same effect as if they had been executed under seal.

(s) Directors' insurance

Section 468 of the Companies Ordinance allows the Company to take out and maintain insurance for a director or a director of an associated company. New Article 183(c) reflects such provision to give the Company the flexibility to maintain such insurance.

(t) Determination of auditor's remuneration

Section 404 of the Companies Ordinance allows the remuneration of an auditor of a company appointed by the members may be fixed (i) by a resolution passed at a general meeting; or (ii) in the manner specified in such a resolution. New Article 168 reflects such provision.

(u) Definition of “Ordinance”

The definition of “Ordinance” under New Article 2 refers to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) instead of the Previous Companies Ordinance (Chapter 32 of the Laws of Hong Kong).

2. Amendments made to bring the Existing Articles in line with the relevant requirements of the Listing Rules (including the core shareholder protection standards set out in Appendix 3 to the Listing Rules)

(a) Directors appointed by the Board shall be subject to re-election at the annual general meetings

In order to align with paragraph 4(2) of Appendix 3 to the Listing Rules, New Article 96 stipulates that any Director appointed by the Board (either to fill a casual vacancy or as an addition to the Board) shall hold office only until the first annual general meeting of the Company after his appointment.

(b) Right to speak and vote at general meetings

In accordance with paragraph 14(3) of Appendix 3 to the Listing Rules, New Articles 64A and 82(a) specify that, subject to any rights or restrictions attached to any shares, all members have the right (a) attend and speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

(c) Recognised clearing house’s right to appoint proxies or corporate representatives

In accordance with paragraph 19 of Appendix 3 to the Listing Rules and section 607 of the Companies Ordinance, New Article 82(b) sets out the right to appoint proxies or corporate representatives by a clearing house recognised by the Stock Exchange.

3. Amendments made to allow the Company to send or supply corporate communications to its Shareholders by electronic means pursuant to the Listing Rules

To allow flexibility and increase the efficiency and effectiveness of supplying corporate communications, New Articles 170 to 176 inserts the purpose of allowing the Company to send and supply corporate communications within the meaning ascribed to it by the Listing Rules to the Shareholders by electronic means pursuant to Rule 2.07A of the Listing Rules.

4. Amendments made to allow the Company to hold hybrid and electronic meetings of its Shareholders

To allow flexibility in the holding of general meetings, New Articles 61, 62, 67, 68, 69, 70, 72, 73, 74 and 75 allow general meetings (including adjourned meetings or postponed meetings) to be held as physical meetings in any part of the world and at one or more locations, or as hybrid meetings or electronic meetings, as may be determined by the Board in its absolute discretion.

5. Amendments made for minor house-keeping amendments***(a) Meaning of “in electronic form”, “mental incapacity” and “close associate”***

The expression “in electronic form” is introduced in the New Articles to align with the position under the Companies Ordinance on documents transmitted electronically.

The reference to “unsound mind” in the existing Articles is archaic. In order to modernise the language, this reference is replaced by “mental incapacity” in New Articles in accordance with its meaning under section 2(1) of the Mental Health Ordinance (Chapter 136 of the Laws of Hong Kong). This is in line with the approach adopted by the Model Articles.

To include the definition of “close associate” in New Article 2 to align with the requirements under the prevailing Listing Rules.

(b) Call on shares

New Article 25 clarifies that a person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

(c) Suspension of privileges while call unpaid

New Article 31 provides a more detailed description of the privileges which will be suspended until all calls or instalments have been duly paid.

(d) Notice of payment of unpaid calls

New Article 48 requires the Board to include the place where payment is to be made in the notice of payment of unpaid calls.

(e) Certificates of forfeited shares

New Article 57 requires certificate of forfeited shares to be delivered to the Company.

(f) The Board's power to ensure orderly conduct of general meetings

New Article 71 empowers the Board to make any arrangement and impose any requirement or restriction to ensure the security and orderly conduct of general meetings.

New Article 76 specifies the circumstances which the chairman of the general meeting may refuse to accept any proposal to amend any resolution.

(g) Alternate Directors

New Articles 97(a) and 97(b) respectively clarifies that an alternate Director does not need to hold any qualification shares and the term of an alternate Director.

(h) Directors' resolutions in writing

In order to facilitate the Directors' decision-making process, New Article 136 provides that a written notification of confirmation given by a Director to the Board by any means (which includes by means of electronic communication) shall be deemed to be his signature to a written resolution by Director.

(i) Removal of Directors

New Article 111 provides the Company may by ordinary resolution to remove any Director rather than requiring special resolution under Existing Article 85.

(j) Term of chairman for meetings

New Article 126(a) clarifies the term of the chairman for meetings.

(k) Scrip dividends

New Articles 151(e) and 151(f) grant the Board a discretion in issuing scrip dividends to foreign shareholders and determining the record date for electing to receive cash in lieu of scrip dividends.

(1) Other house-keeping changes

For the clarity and consistency of the New Articles, there are other minor differences between the New Articles and the Existing Articles which are house-keeping in nature.

ARTICLES OF ASSOCIATION

(As adopted by a Special Resolution passed on [•] September 2023)

OF

FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

Incorporated the 20th day of October, 1978

THE COMPANIES ORDINANCE
(CHAPTER 622 OF THE LAWS OF HONG KONG)

Company Limited by Shares

ARTICLES OF ASSOCIATION

(As adopted by a Special Resolution passed on [•] September 2023)

OF

FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

PRELIMINARY

1. (a) The regulations contained in Schedule 1 (Model Articles for Public Companies Limited by Shares) to the Companies (Model Articles) Notice (Chapter 622H of the Laws of Hong Kong) shall not apply to the Company.
- (b) The name of the Company is “FAR EAST HOTELS AND ENTERTAINMENT LIMITED (遠東酒店實業有限公司)”.
- (c) The liability of the members is limited. The liability of the members is limited to any amount unpaid on the shares held by the members.
- (d) The registered office of the Company will be situated in Hong Kong.

Other regulations excluded.

INTERPRETATION

2. The marginal notes to these Articles shall not be deemed to be part of these Articles and shall not affect their interpretation. In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings:

Marginal notes not to affect construction.

“these Articles” or “these presents” shall mean these Articles of Association in their present form, and all supplementary, amended, or substituted articles for the time being in force;

“associate” shall have the meaning attributed to it in the Listing Rules and “associates” shall be construed accordingly;

“Auditors” shall mean the persons for the time being performing the duties of the office of external auditors of the Company;

“the Board” or “the Directors” shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;

“business days” shall mean a day on which The Stock Exchange of Hong Kong Limited generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where The Stock Exchange of Hong Kong Limited is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day;

“call” shall include any instalment of a call;

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

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

“clearing house” shall mean a recognised clearing house within the meaning of the SFO;

“close associate” shall have the meaning attributed to it in the Listing Rules and “close associates” shall be construed accordingly;

“the Company” or “this Company” shall mean FAR EAST HOTELS AND ENTERTAINMENT LIMITED (遠東酒店實業有限公司);

“Corporate Communication” shall have the meaning ascribed to it in the Listing Rules (*mutatis mutandis*);

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

“dollars” and “HK\$” shall mean dollars in the legal currency of Hong Kong;

“electronic communication” shall mean any communication sent, transmitted or received by electronic means;

“electronic facilities” shall mean, without limitation, online platform(s), website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise), that allows a person to listen, speak and vote at a meeting without being physically present at a meeting;

“in electronic form” shall have the same meaning given to it by Section 20(1) of the Ordinance;

“electronic means” shall mean, in the context of transmission of any Corporate Communication from the Company in any form, through any medium (including but not limited to electronic mail or publication on the Company’s website, or publication on the Company’s computer network or publication on the website of The Stock Exchange of Hong Kong Limited or the website of any stock exchange on which any securities of the company are listed and/or permitted to be dealt in);

“electronic meeting” shall mean a general meeting held and conducted, to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations, wholly and exclusively by virtual attendance and participation by members, proxies and/or Directors by means of electronic facilities;

“electronic signature” shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;

“fully paid up” in relation to a share, shall mean the price at which the share was issued has been paid up in full to the Company;

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

“issue price” shall mean the price at which a share was issued;

“the Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and any amendments thereto for the time being in force;

“Meeting Location” shall have the meaning given to it in Article 68(a);

“mental incapacity” shall have the same meaning given to it by Section 2(1) of the Mental Health Ordinance (Chapter 136 of the Laws of Hong Kong) as modified from time to time;

“month” shall mean a calendar month;

“newspaper” shall mean a newspaper published daily and circulating generally in Hong Kong and specified in the list of newspapers issued and published in the Gazette for the purposes of the Ordinance by the Chief Secretary for Administration;

“the Ordinance” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), and any amendment thereto or re-enactment thereof for the time being in force and includes every other Ordinance incorporated therewith or 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;

“ordinary resolution” shall mean a resolution passed by a simple majority of votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting;

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

“partly paid up” in relation to a share, shall mean part of the price at which the share was issued remains unpaid;

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

“Principal Meeting Place” shall have the meaning given to it in Article 62(b);

“public holiday” shall have the same meaning given to it by Section 3 of the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong);

“the Register” shall mean the register of members and include any branch register to be kept pursuant to the provisions of the Ordinance;

“Registered Office” shall mean the registered office from time to time of the Company;

“the SFO” shall mean the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and any amendments thereto or re-enactment thereof for the time being in force and shall include every other statute incorporated therewith or substituted therefor; and in case of any such substitution the references in these Articles to the provisions of the SFO shall be read as references to the provisions substituted therefor in the new statute;

“seal” shall mean the common seal from time to time of the Company and include any official seal that the Company may have as permitted by these Articles and the Ordinance;

“Secretary” shall mean the person for the time being performing the duties of the office of secretary of the Company or any other person appointed to perform any of the duties of the secretary of the Company;

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

“shareholders” or “members” shall mean the duly registered holders from time to time of the shares in the capital of the Company;

“special resolution” shall mean a resolution passed by a majority of at least 75% of votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting;

“summary financial report” shall have the meaning as set out under the Ordinance;

“writing” and “written” shall, unless the contrary intention appears, be construed as including handwriting, printing, lithography, photography, typewriting and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words or figures partly in one visible form and partly in another visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the member’s election comply with the Ordinance, the Listing Rules and other applicable laws, rules and regulations;

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

Singular and plural.

words importing any gender shall include every gender; and

Gender.
Person.
Companies.

words importing persons shall include partnerships, firms, companies and corporations.

Subject as aforesaid, any words or expressions defined in the Ordinance (except any statutory modification thereof not in force when these Articles become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in Hong Kong or elsewhere.

Ordinance to bear same meaning in Articles.

References to any Article by number are to the particular Article of these Articles.

References to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.

References to a meeting shall mean a meeting convened and held in any manner permitted by these Articles, and any members, proxies and/or Directors (including, without limitation, the Chairman of such meeting) attending and participating by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Ordinance, the Listing Rules and other applicable laws, rules and regulations or these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly.

References to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to listen, speak, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Ordinance, the Listing Rules and other applicable laws, rules and regulations or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly.

References to the Company's computer network shall be construed as references to the Company's website.

Nothing in these Articles precludes the holding and conducting of a general meeting in such a way that persons who are not present together at the same place or places may by electronic means attend and participate in it.

3. (a) Subject to the provisions of the Ordinance and of these Articles, without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine), provided that in the case of preference shares being issued, adequate voting rights shall, in appropriate circumstances, be secured to the holders of such preference shares. Any preference share may be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed, provided that redemptions not made through the market or by tender shall be limited to a maximum price and if redemptions are by tender, the tenders shall be available to all holders of such preference shares. Subject to the aforesaid, the Ordinance and the Listing Rules, the Board may determine the terms, conditions and manner of redemption of the shares.
- (b) Subject to the provisions of the Ordinance and the Listing Rules, the Board may issue warrants (other than share warrants to bearer), convertible securities or other rights and options to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine.

Issue of shares.

Warrants and other rights.

4. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of at least seventy-five (75) per cent of the total voting rights of holders of the shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy or by authorised representative one-third of the total voting rights of the holders of shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy or by authorised representative may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy or by authorised representative (whatever the number of shares held by him) shall be a quorum.

How rights of shares may be modified.

Appendix 3, para 15

SHARE AND INCREASE OF CAPITAL

5. The Company may exercise any powers conferred or permitted by the Ordinance, the Listing Rules or any other ordinance from time to time to acquire its own shares or to give directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company acquire its own shares neither the Company nor the Board shall be required to select the shares to be acquired rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such acquisition or financial assistance shall only be made or given in accordance with any relevant rules, code or regulations issued by The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission of Hong Kong from time to time in force.
6. Subject to the provisions of the Ordinance, the Listing Rules, other applicable laws and regulations and of these Articles, the Company may from time to time alter its share capital by ordinary resolution.
7. Without prejudice to any special rights previously conferred on the holders of existing shares, any new shares shall be issued upon such terms and conditions and with such preferred, deferred, or other special rights or privileges, or such restrictions, whether in regard to dividend, voting, return of share capital, or otherwise, as the Company in the general meeting resolving upon the creation thereof shall determine or, in the absence of any such determination, as the Board may determine.

Company to finance purchase of own shares.

Power to alter capital.

Conditions on which new shares to be issued.

8. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance to all the existing holders of any class of shares in proportions as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of the new shares, but in default of any such determination, or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the shares in the capital of the Company existing prior to the issue of the new shares.

When to be offered as existing members.

9. Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

New shares treated as forming part of original capital.

10. Subject to the provisions of the Ordinance (and in particular Sections 140 and 141 thereof), the Listing Rules, other applicable laws and regulations and these Articles and approval by the members in general meeting, the Directors may 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 (including any Director), at such times and generally on such terms as they think proper.

Shares at the disposal of the Board.

11. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Ordinance and other applicable laws and regulations shall be observed and complied with, and in each case the commission shall not exceed ten (10) per cent. of the price at which the shares are issued.

Company may pay commission.

12. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a Court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust, and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof and/or having arranged designated accounts at the request of any member) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof in the registered holder.

Company not to recognise trusts in respect of share.

REGISTER OF MEMBER AND SHARE CERTIFICATES

13. (a) The Board shall cause to be kept a register of the members, and there shall be entered therein the particulars required under the Ordinance.

Share register.

- (b) Subject to the provisions of the Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit. Branch register.
- (c) Subject to the provisions of the Ordinance, the Register shall be open for inspection by members during business hours (except when the Register is closed). Inspection of Register. Appendix 3, para 20, S632 CO
14. Every person whose name is entered as a member in the Register shall be entitled to receive within such period of time as prescribed by the Ordinance or the Listing Rules after allotment or lodgement of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares of any one class or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, (i) in the case of allotment, of a sum equal to the relevant maximum amount as The Stock Exchange of Hong Kong Limited may from time to time determine for every certificate after the first or such lesser sum as the Board shall from time to time determine (ii) in the case of a transfer, of a sum equal to the relevant maximum amount as The Stock Exchange of Hong Kong Limited may from time to time determine for every certificate or such lesser sum as the Board shall from time to time determine, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. Share certificates.
15. Every certificate for shares or warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by the Ordinance and these Articles. Share certificates to be sealed.
16. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon, and may otherwise be in such form as the Board may from time to time prescribe. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section 179 of the Ordinance. A share certificate shall relate to only one class of shares. Particulars to be specified in certificate.
17. (a) The Company shall not be bound to register more than four (4) persons as joint holders of any share. Joint holders.
- (b) If any share shall stand in the names of two or more persons, the person first named in the Register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

18. If a share certificate is worn out, defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as shall be permitted under the rules for the time being of The Stock Exchange of Hong Kong Limited and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

Replacement of share certificates.

LIEN

19. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends, bonuses and distributions of realised capital profits declared or paid in respect thereof. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Article.

Company's lien.

Lien extends to dividends and bonuses.

Sales of shares subject to lien.

21. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser and may enter the purchaser's name in the Register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- Application of proceeds of such sale.
- CALLS ON SHARES**
22. The Board may from time to time make such calls as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. The Board may make arrangements on the issue of shares for a difference between the shareholders in the amount of calls to be paid and in the times of payment. The provisions of these Articles with respect to calls may in any share incentive scheme for employees approved by the Company be varied with respect to any shares issued pursuant to such scheme.
- Calls.
23. Fourteen (14) days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
- Notice of call.
24. A copy of the notice referred to in Article 23 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.
- Copy of notice to be sent to members.
25. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- Every member liable to pay call at appointed time and place.
26. In addition to the giving of notice in accordance with Article 24, notice of the person appointed to receive payment, if required by the Ordinance or determined by the Board, of every call and of the times and places appointed for payment of may be given to the members by notice to be inserted in the newspapers or any other form of advertisement as the Board may determine or by publication on the Company's website in accordance with the Listing Rules or in such manner as permitted under the Listing Rules.
- Notice of call may be advertised.
27. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- When call deemed to have been made.

28. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof. Liability of joint holders.
29. The Board may from time to time and at its absolute discretion extend the time fixed for any call, and may similarly extend such time as to all or any of the members, whom from residence outside Hong Kong or other cause the Board may deem entitled to any such extension, but no member shall be entitled to any such extension except as a matter of grace and favour. Board may extend time fixed for call.
30. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding ten (10) per cent, per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may in its absolute discretion waive payment of such interest wholly or in part. Interest on unpaid calls.
31. No member shall be entitled to receive any dividend, bonus, new shares resulting from any capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members unless the Board shall otherwise determine and without prejudice to the other provisions of these Articles, or to be present and vote (save as proxy for another member) at any general meeting either personally or by proxy (save as proxy for another member), to be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid. Suspension of privileges while call unpaid.
32. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued or was so entered at the time the call was made, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Evidence in action for call.
33. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment. Sums payable on allotment deemed a call.

34. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding eight (8) per cent. per annum as the Board may decide provided that not until a call is made any payment in advance of a call shall not entitled the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing or in such other form (including without limitation in electronic form and by way of publication on the Company's website or computer network) and language(s) as may from time to time be permitted under applicable laws and the Listing Rules, of their intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

Payment of calls in advance.

TRANSFER OF SHARES

35. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand or by mechanically executed signature. All instruments of transfer must be left at the Registered Office of the Company or at such other place as the Board may appoint.
36. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, 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. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
37. The Board may, in its absolute discretion, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.
38. The Board may also decline to recognize any instrument of transfer unless:
- (a) a fee of such amount as shall for the time being be prescribed by The Stock Exchange of Hong Kong Limited or such lesser sum as the Board shall from time to time require is paid to the Company for registering any transfer or other document relating to or affecting the title to the shares involved or for otherwise making an entry in the Register relating to such shares;

Form of transfer.

Execution of transfer.

Board may refuse to register transfers.

Requirements as to transfer.

- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (c) the instrument of transfer is in respect of only one class of shares;
- (d) the shares concerned are free of any lien in favour of the Company; and
- (e) the instrument of transfer is properly stamped.
39. No transfer of share shall be made to a minor or to a person of mental incapacity or under other legal disability. No transfer to a minor, etc.
40. If the Board shall refuse to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send notice of such refusal as required by the Ordinance. Upon request by the transferor or the transferee, the Directors must, within twenty-eight (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. Notice of refusal.
41. Upon every transfer of shares, the relevant certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee for a fee not exceeding the maximum amount as may from time to time be prescribed by The Stock Exchange of Hong Kong Limited in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor, a new certificate in respect thereof shall be issued to him for a fee not exceeding the maximum amount as may from time to time be prescribed by The Stock Exchange of Hong Kong Limited. The Company shall also retain the instrument of transfer. Certificate on transfer.
42. The registration of transfers may be suspended and the Register closed at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares, provided always that such registration shall not be suspended or the Register closed for more than the period as stipulated in the Listing Rules or the Ordinance. When transfer books and register may be closed. Appendix 3, para 20

TRANSMISSION OF SHARES

43. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him. Death of registered holder or joint holder of shares.

44. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof. Registration of personal representatives and trustees in bankruptcy.
45. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member. Notices of election to be registered.
46. A person becoming entitled to share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends, notices and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 83 being met, such a person may vote at meetings. Retention of dividends, etc., of shares of deceased or bankrupt member.

FORFEITURE OF SHARES

47. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 31 hereof, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. If call or instalment not paid notice may be given.
48. The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by notice is to be made, and it shall also name the place where payment is to be made, such place being either the Registered Office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited. Form of notice.

49. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Board may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender. If notice not complied with, shares may be forfeited.
50. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposal the forfeiture may be cancelled on such terms as the Board thinks fit. Forfeited shares to become property of Company.
51. A person whose shares have been forfeited shall 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 payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding ten (10) per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, shall notwithstanding that that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment. Amounts to be paid notwithstanding forfeiture.
52. A statutory declaration in writing that the declarant is a Director or Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and any Director or the Secretary may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. Evidence of forfeiture and transfer of forfeited shares.
53. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid. Notice after forfeiture.

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| 54. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as they think fit. | Power to buy back/redeem forfeited shares. |
| 55. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon. | Forfeiture not to prejudice Company's right to call or instalment. |
| 56. The provisions of these Articles as to forfeiture shall apply in the case non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified. | Forfeiture for non-payment of any sum due on shares. |
| 57. In the event of a forfeiture of shares the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect. | Certificate of forfeited shares to be delivered to the Company. |

ALTERATION OF CAPITAL

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| 58. (a) Subject to the provisions of the Ordinance, the Listing Rules and other applicable laws and regulations, the Company may by ordinary resolution from time to time alter its share capital in any one or more of the ways set out in Section 170 of the Ordinance. | Alteration of capital. |
| (b) Subject to the provisions of the Ordinance, the Listing Rules and other applicable laws and regulations, the Company may by special resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by law. | Reduction of capital. |

GENERAL MEETING

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| 59. The Company shall in each financial year hold an annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and place as the Board shall appoint and not more than six (6) months after the end of the Company's accounting reference period as defined in the Ordinance. | When annual general meeting to be held.

Appendix 3, para 14(1) |
| 60. All general meetings other than annual general meetings shall be called general meeting. | General meetings. |

61. (a) The Board may, whenever it thinks fit, convene a general meeting, and general meetings shall also be convened on requisition made in accordance with the requirements set out in the Ordinance by one or more members holding, at the date of deposit of the requisition, at least 5% of the total voting rights of all the members having a right to vote at general meetings, on a one vote per share basis, or, in default, may be convened by the requisitionists in accordance with the Ordinance. The requisition must state the general nature of the business to be dealt with at the general meeting, and may include the text of the resolution that may properly be moved and is intended to be moved at the general meeting.

Convening of general meetings.

Appendix 3, para 14(5)

(b) All general meetings (including annual general meeting, general meeting or any adjourned meeting) may be held in such manner either (a) as a physical meeting in any part of the world and at one or more locations as provided in Article 68(a), or (b) as a hybrid meeting, or (c) (only to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations) as an electronic meeting, as may be determined by the Board in its absolute discretion.

62. (a) An annual general meeting shall be called by notice of not less than twenty-one (21) clear days (or such longer period as may be required by the Listing Rules), and a general meeting of the Company other than an annual general meeting shall be called by notice in writing of not less than fourteen (14) clear days (or such longer period as may be required by the Listing Rules). Any such notices shall be in writing or in such other form (including without limitation in electronic form and by way of publication on the Company's website) and language(s) as may from time to time be permitted under applicable laws and the Listing Rules.

Notice of meetings.

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Appendix 3, para 14(2)

The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to the Auditors and such persons as are, under these Articles, entitled to receive such notices from the Company, provided that subject to the provisions of the Ordinance and the Listing Rules, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

- (i) in the case of an annual general meeting, by all the members or their proxies entitled to attend and vote thereat; and
- (ii) in any other case, by a majority in number of the members or their proxies having a right to attend and vote at the meeting, being a majority together representing not less than ninety-five (95) per cent. of the total voting rights at the meeting of all the members.

- (b) The notice shall specify:
- (i) the time and date of the meeting;
 - (ii) in the case of a physical meeting or a hybrid meeting, the place of the meeting and where there is more than one Meeting Location as determined by the Board pursuant to Article 68(a), the principal place of the meeting (the “Principal Meeting Place”);
 - (iii) if the general meeting is to be a hybrid meeting, the notice shall include a statement to that effect and with details of the electronic facilities or electronic platform (which electronic facilities or electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, may see fit) for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting;
 - (iv) if the general meeting is to be an electronic meeting (where permitted by the Ordinance, the Listing Rules and other applicable laws, rules and regulations), the notice shall, subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations, include a statement to that effect and with details of the electronic facilities or electronic platform for the meeting (which electronic facilities or electronic platform may vary from time to time and from meeting to meeting as the Board, in its sole discretion, may see fit) or where such details will be made available by the Company prior to the meeting;
 - (v) particulars of resolutions to be considered at the meeting and, the general nature of the business to be transacted at the meeting;
 - (vi) in the case of a notice calling an annual general meeting, states that the meeting is an annual general meeting; and
 - (vii) if a resolution is intended to be moved at the general meeting:
 - (I) a notice of intention to propose the resolution; and
 - (II) a statement containing the information and explanation, if any, that is reasonably necessary to indicate the purpose of the resolution.
- (c) The Board shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement or change of the relevant general meeting may occur automatically without further notice including, without limitation, where a tropical cyclone warning signal no. 8 or above, black rainstorm warning or other similar event is in force at any time prior to or at the time of the general meeting on the day of the general meeting.

63. (a) The accidental omission to give any such notice to, or the non-receipt of any such notice by, any person entitled to receive such notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (b) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Omission to give notice.

PROCEEDINGS AT GENERAL MEETINGS

64. For all purposes the quorum of a general meeting shall be two (2) members present (including attendance by electronic means) in person or by proxy or (in the case of a member being a corporation) by its duly authorized representative and entitled to vote. No business other than the appointment of a Chairman of a meeting shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.
- 64A. Subject to any rights or restrictions attached to any shares, all members have the right to (a) attend and speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
65. If within fifteen (15) minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place(s) and in such form and manner referred to in Article 61 as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within fifteen (15) minutes from the time appointed for holding the meeting, the member or members present in person or by proxy or (in the case of a member being a corporation) by its duly authorised representative shall be a quorum and may transact the business for which the meeting was called.
66. The Chairman (if any) of the Board shall take the chair at every general meeting, or if at any general meeting such Chairman shall not be present within fifteen (15) minutes after the time appointed for holding such meeting or is unwilling to act or has given notice to the Company of his intention not to attend the meeting, a Deputy Chairman of the Board (if any) chosen in accordance with the provisions of Article 126 shall take the chair at such general meeting, or if there be no such Chairman or Deputy Chairman present at the meeting, the Directors present shall elect one of their number present to be Chairman of that meeting, and if no Director be present within fifteen (15) minutes after the time appointed for holding the meeting, or if all Directors present decline to take the chair, then the members present and entitled to vote shall choose one of their own number to be Chairman of that meeting.

Quorum.

Appendix 3, para 14(3)

When if quorum not present meeting to be dissolved and to be adjourned.

Chairman of general meeting.

67. Subject to Article 70, the Chairman of the meeting may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and/or from place to place and/or from one form to another (physical meeting or hybrid meeting or (to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations) electronic meeting) as the meeting shall determine. Whenever meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice, specifying the details set out in Article 62(b) shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Power to adjourn general meeting, business of adjourned meeting.

68. (a) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations ("Meeting Location(s)"). Any member or (in the case of a member being a corporation) its duly authorised representative or any proxy attending and participating in such way or any member or (in the case of a member being a corporation) its duly authorised representative or any proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting, subject to due compliance with the requirements in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time with regard to the determination of the presence of a quorum for an electronic meeting.

Holding of meeting at two or more locations or as a hybrid meeting or an electronic meeting.

(b) All general meetings are subject to the followings, provided that where reference is made to electronic meeting(s), the followings shall be subject to the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time, and where appropriate, all references to a "member" or "members" in this paragraph (b) shall include a duly authorised representative or duly authorised representatives or a proxy or proxies respectively:

(i) where a member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;

(ii) members present in person or (in the case of a member being a corporation) by its duly authorised representative or by proxy at the Meeting Location(s) and/or members attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the Chairman of the meeting is satisfied that

adequate electronic facilities are available throughout the meeting to ensure that members attending at all Meeting Locations and members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;

- (iii) where members attend a meeting by being present at one of the Meeting Locations and/or where members attend and participate in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or, in the case of an electronic meeting or a hybrid meeting, the inability of one or more members or proxies to access, or continue to access, the electronic facilities, shall not affect the validity of the meeting or the resolutions passed thereat, or any business conducted there or any action taken pursuant to such business, provided that there is a quorum present throughout the meeting; and
- (iv) if any of the Meeting Locations is not in the same jurisdiction as the Principal Meeting Place and/or in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the notice for the meeting.

69. To the extent permitted by and subject to due compliance with the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time with regard to electronic meetings, the Board and/or, at any general meeting, the Chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place and/or any Meeting Location(s), and/or participation and/or voting in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it/he/they shall in its/his/their absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a member who, pursuant to such arrangements, is not entitled to attend, in person or (in the case of a member being a corporation) by its duly authorised representative, or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations or through electronic facilities; and the entitlement of any member so to attend the meeting or adjourned meeting at such Meeting Location(s) or through electronic facilities shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

Power to
manage
meeting.

70. To the extent permitted by and subject to due compliance with the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time with regard to electronic meetings, if it appears to the Chairman of the general meeting that:

Power to interrupt or adjourn meeting.

- (i) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 68(a) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or
- (ii) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (iii) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (iv) there is violence or threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

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

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

Power to impose requirements or restrictions.

72. If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place and/or by means of the electronic facilities specified in the notice calling the meeting, it may (a) postpone the meeting to another date and/or time and/or (b) change the place and/or electronic facilities and/or the form of the meeting (physical meeting, hybrid meeting or (to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations) electronic meeting), without approval from the members. Without prejudice to the generality of the foregoing but subject to due compliance with the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time with regard to electronic meetings, the Board shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement or change of the relevant general meeting may occur automatically without further notice, including, without limitation, where a tropical cyclone warning signal no. 8 or above, black rainstorm warning or other similar event is in force at any time prior to or at the time of the meeting on the day of the meeting. This Article shall be subject to the followings, provided that where reference is made to electronic meeting(s), the followings shall be subject to the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time:

Power to
postpone or
change
meeting.

- (i) when either (1) a meeting is postponed in accordance with this Article, or (2) there is a change in the place and/or (to the extent permitted under the Ordinance, the Listing Rules and other applicable laws, rules and regulations) the form of the meeting, the Company shall, to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations, (a) endeavour to post a notice of such postponement or change on the Company's website as soon as reasonably practicable (provided that failure to post such a notice shall not affect the automatic postponement or change of such meeting); and (b) subject to and without prejudice to Article 67, unless already specified in the original notice of the meeting or included in the notice posted on the Company's website as stated above, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting, specify the date and time by which proxies shall be submitted in order to be valid at such postponed or changed meeting (provided that any valid proxy submitted for the original meeting shall continue to be valid for the postponed or changed meeting unless revoked or replaced by a new proxy), and shall give the members reasonable notice of such details in such manner as the Board may determine;
- (ii) when only the electronic facilities specified in the notice are changed, the Board shall notify the members of details of such change in such manner as the Board may determine; and

- (iii) notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original notice of general meeting circulated to the members.
73. To the extent permitted by and subject to due compliance with the provisions in the Ordinance, the Listing Rules and other applicable laws, rules and regulations in force from time to time with regard to electronic meetings, all persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Articles 70 and 75, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of that meeting and/or resolutions passed at that meeting. Maintaining adequate facilities.
74. Without prejudice to other provisions in Articles 68 to 73, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all members participating in the meeting to listen, speak and vote thereat instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. Instantaneous participation to constitute presence at physical meeting.
75. Without prejudice to Articles 68 to 74, and subject to the Ordinance, the Listing Rules and any other applicable laws, rules and regulations, the Board may resolve to enable persons entitled to attend an electronic meeting to do so by simultaneous attendance by means of electronic facilities with no member necessarily in physical attendance and without any particular Meeting Location being designated. To the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and any other applicable laws, rules and regulations, each member or (in the case of a member being a corporation) its duly authorised representative or its proxy shall be counted in the quorum for, and entitled to vote at, the electronic meeting in question, and that general meeting shall be duly constituted and its proceedings valid if the Chairman of the electronic meeting is satisfied that adequate facilities are available throughout the electronic meeting to ensure that members attending the electronic meeting who are not present together at the same place may, by means of electronic facilities, listen, speak and vote at it. Simultaneous attendance at electronic meeting.
76. The Chairman of the meeting may refuse to accept any proposal to amend any resolution unless notice thereof (including the text of the proposed amendment) shall have been given to the Company at the Registered Office not less than seven (7) clear days before the day appointed for the meeting. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, such resolution or the voting thereon shall not be invalidated by any error in such ruling. Amendment to resolution.

77. Save that a poll is required by the Listing Rules or the Ordinance or any other applicable laws, other than a general meeting which is a hybrid or electronic meeting on which a resolution put to vote of the meeting shall be decided by way of poll, at any general meeting where a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

How a poll may be demanded.

(i) by the Chairman; or

(ii) by at least five (5) members present in person or (in the case of a member being a corporation) by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

S591, CO

(iii) by any member or members present in person or (in the case of a member being a corporation) by its duly authorised representative or by proxy and representing not less than five (5) per cent. of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded and the demand is not withdrawn or unless a poll is taken as may from time to time be required under the Listing Rules, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

77A. If, before or on the declaration of the result on a show of hands at a general meeting, the Chairman knows from the proxies received by the Company that the result on a show of hands will be different from that on a poll, the Chairman must demand a poll.

Chairman's duty to demand a poll.
S592 CO

78. If a poll is demanded as aforesaid, it shall (subject as provided in Article 79) be taken in such manner (including the use of ballot or voting papers or tickets or through electronic facilities) and at such time and place, not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman of the meeting directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by Listing Rules. Subject to due compliance with the Listing Rules, the Chairman of the meeting may determine that the results of the poll, if certified by scrutineer(s) appointed by the Company or the Chairman of the meeting or a Director or the Secretary, shall be published on the Company's website without the requirement for the results being declared at any meeting or adjourned meeting. The publication on the Company's website of the results of the relevant poll which shows that a resolution has been carried or lost or has or has not been carried by any particular majority, and an entry to that effect in the

Poll.

minutes of the proceedings of the Company, shall, in the absence of manifest error, be conclusive evidence of such fact. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall record in the minutes of the general meeting such result of the poll in accordance with the Ordinance.

S594 CO

79. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

In what case poll taken without adjournment. Business may proceed notwithstanding demand for poll.

80. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is required under the Listing Rules or demanded, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote, the Chairman shall determine the same, and such determination shall be final and conclusive.

Chairman to have casting vote.

81. Subject to the provisions of the Ordinance, a resolution in writing shall be treated as a resolution duly passed at a general meeting of the Company duly convened and held when all eligible members have signified their agreement to it in accordance with Section 556 of the Ordinance. Any such resolution may consist of several documents in the like form, each signed by one or more eligible members. For the purpose of this Article, “eligible members” are the members who would have been entitled to vote on the resolution on the circulation date of the resolution, and if the persons entitled to vote on the resolution change during the course of the day that is the circulation date of the resolution, the eligible members are the persons entitled to vote on the resolution at the time that the first copy of the resolution is sent to a member for agreement, and “circulation date” shall have the meaning given to it in Section 547 of the Ordinance.

Written resolution.

VOTES OF MEMBERS

82. (a) Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under the Ordinance, shall have one vote, and on a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). Members may exercise their voting rights at the general meeting except where required by the Listing Rules, to abstain from voting to approve the matter under consideration. On a poll 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. Votes (whether on a show of hands or a poll) may be cast by such means, electronic or otherwise, as the Board or the Chairman of the meeting may in its/his sole discretion determine. A resolution put to the vote of a meeting shall be decided by way of a poll

Votes of members.

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Appendix 3, para 14(3)

save that the Chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) 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(s)), each such proxy shall have one vote on a show of hands. For purpose of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its members; and (ii) relate to the Chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all members a reasonable opportunity to express their views.

- (b) A member of the Company, being a recognized clearing house (within the meaning of the SFO) may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company (including general meetings, any separate meeting of any class of members or creditors meetings) 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. A person so authorised shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual member of the Company, including the right to vote and the right to speak. S607 CO
Appendix 3,
para 19
83. Any person entitled under Article 44 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares; provided that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Board of his entitlement to such share, or the Board shall have previously in writing admitted his right to vote at such meeting in respect thereof. Votes in
respect of
deceased and
bankrupt
members.
84. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof. Joint holders.
85. A member who is a mentally incapacitated person, or in respect of whom an order has been made by any court having jurisdiction in cases of mental disorders, may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis*, or other person in the nature of a committee, receiver or *curator bonis* appointed by that court, and any such Votes of
mentally
incapacitated
member.

committee, 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 shall have been deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time for holding the meeting, or adjourned meeting or poll, as the case may be.

86. (a) Save as herein expressly provided, no person other than a member duly registered and who shall have paid everything for the time being due from him and payable to the Company in respect of his shares and is entitled to attend and vote shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum (save as proxy for another member), at any general meeting. Qualification for voting.
- (b) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, any vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive. Objections to votes.
- (c) Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted. Appendix 3, para 14(4)
87. Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holder of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise, including the right to attend, speak and vote at the meeting. A member may appoint separate proxies to represent respectively such number of the shares held by him as may be specified in the instruments appointing them on the same occasion. Proxies. Appendix 3, para 18
88. The instrument appointing a proxy shall be in writing and if the Board in its absolute discretion determines, may be contained in an electronic communication, and: (i) if in writing but not contained in an electronic communication, under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised; or (ii) in the case of an appointment contained in an electronic communication, submitted by or on behalf of the appointer, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine. Instrument appointing proxy to be in writing. Appendix 3, para 18

89. (a) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company or received by the Company at the specified electronic address or electronic means of submission as the Company may designate in accordance with the following paragraph (b) not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting or postponed meeting or (in the case of a poll taken more than forty-eight (48) hours after it was demanded) not less than twenty-four (24) hours before the time appointed for the taking of the poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday.

Appointment of proxy must be deposited.

(b) The Company may, at its absolute discretion, designate from time to time an electronic address or an electronic means of submission for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy and notice of termination of the authority of a proxy). If such an electronic address or electronic means of submission is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that electronic address or by such electronic means of submission, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the electronic address or electronic means of submission. Without limitation, the Company may from time to time determine that any such electronic address or electronic means of submission may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses or electronic means of submission for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address or via its designated electronic means of submission provided in accordance with this Article or if no electronic address or electronic means of submission is so designated by the Company for the receipt of such document or information.

Specified electronic address or electronic means of submission.

90. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve. Form of proxy.
91. The instrument appointing a proxy to vote at a general meeting shall, unless the contrary is stated therein, (i) be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit provided that any form issued to a member for use by him for appointing a proxy to attend and vote at a general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business; and (ii) be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within twelve (12) months from such date. Only instruments appointing a proxy actually received by the Company shall be taken into account by the Company. Authority under instrument appointing proxy.
92. A vote given or poll demanded in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous revocation of the proxy (other than a deemed revocation as provided in Article 89), death or mental incapacity of the principal, or revocation of the power of attorney or other authority or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental incapacity, revocation or transfer as aforesaid shall have been received by the Company at its Registered Office, or at such other place as is referred to in Article 89, at least forty-eight (48) hours before the commencement of the meeting or adjourned meeting or a postponed meeting at which the proxy is used or (in the case of a poll taken more than forty-eight (48) hours after it was demanded, not less than twenty-four (24) hours before the time appointed for the taking of the poll). In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday. When vote by proxy valid though authority revoked.
93. Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or of any class of members of the Company, and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation which they represent as that corporation could exercise if it were an individual member of the Company. Where a member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as that clearing house (or its nominee(s)) could exercise as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands. Corporation acting by representative at meetings.

REGISTERED OFFICE

94. The Registered Office of the Company shall be at such place in Hong Kong as the board shall from time to time appoint.

Registered Office.

BOARD OF DIRECTORS

95. Unless otherwise determined by an ordinary resolution of the members of the Company and subject to applicable laws, the number of Directors shall not be less than two.

Constitution of Board.

96. The Board shall have power from time to time, and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office only until the first annual general meeting of the Company after his appointment, and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Board may fill vacancies. Appendix 3, para 4(2)

97. (a) Any Director may at any time by notice in writing signed by him delivered to the Registered Office of the Company or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director for such period of absence from Hong Kong or such period of unavailability due to illness or disability or for such meeting as may be specified therein, and may in like manner at any time determine such appointment. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved. An alternate Director so appointed need not hold any qualification shares.

Alternate Directors.

- (b) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office, or if his appointor ceases to be a Director 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 paragraph (a) of this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

- (c) An alternate Director shall (except when absent from Hong Kong, for which purpose he shall be deemed absent from Hong Kong on any day if he has given to the Secretary notice of his intention to be absent from Hong Kong for any period including such day and has not revoked such notice) be entitled to receive notices of meetings of the Board and shall be entitled 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 perform all the functions 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 (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or temporarily unable to act through ill-health or disability,

his signature to any resolution in writing of the Board shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

- (d) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (e) An alternate Director shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director.

98. 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 and at all separate meetings of the respective holders of all classes of shares of the Company.

No qualification shares for Directors.

99. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined in such manner by the Company in general meeting, such sum to be divided amongst the Directors in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.

Directors' remuneration.

100. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged in the business of the Company or in the discharge of their duties as Directors.

Directors' expenses.

101. Subject to the provisions of the Ordinance, the Listing Rules and these Articles, the Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration

Special remuneration.

may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission, participation in profits or otherwise as may be arranged.

102. Notwithstanding the foregoing Articles 99, 100 and 101, the remuneration of an Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide, subject to compliance with any requirements under the provisions of the Ordinance, the Listing Rules and these Articles. Such remuneration shall be in addition to his remuneration as a Director.

Remuneration
of Managing
Directors,
Chairman,
etc.

103. (a) A Director shall vacate his office:

When office
of Director
to be vacate.

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment, or compounds with his creditors;
- (ii) if he becomes a mentally incapacitated person;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six (6) months without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Ordinance;
- (v) if by notice in writing delivered to the Company at its Registered Office he resigns his office;
- (vi) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors;
- (vii) if, having been appointed to an office under Article 118 hereof, he is dismissed or removed therefrom by the Board under Article 119; or
- (viii) if he shall be removed from office by an ordinary resolution of the Company under Article 111.

(b) Subject to the provisions of the Ordinance or the Listing Rules, no Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

104. (a) Subject to the provisions of the Ordinance, a Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (b) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director. Notwithstanding the provisions in this Article, the Company shall not, without the approval of members in accordance with the provisions of the Ordinance, enter into a service contract with a Director under which the guaranteed term of the employment of such Director exceeds or may exceed three years.
- (c) Subject to the Ordinance, a Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration, profits or other benefits received by him as director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company or exercisable by it as director of such other company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (d) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
- (e) Where arrangements are under consideration concerning that appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).

Directors
may contract
with
Company.

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- (f) Subject to the Ordinance and to paragraph (g) of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract, arrangement or transaction 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 of the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (g) If a Director or an entity connected with the Director is in any way, whether directly or indirectly, interested in a contract or arrangement or transaction or proposed contract or arrangement or transaction with the Company that is significant in relation to the Company's business, the Director must declare the nature and extent of his or the entity's interest to the other Directors in accordance with Part 11, Division 5 of the Ordinance and any applicable requirements under the Listing Rules. S536 CO
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- (h) Subject to the Listing Rules and save as otherwise provided by these Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or transaction or proposed contract or arrangement or transaction in which he or any of his close associates (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him is/are in any way (directly or indirectly) materially interested, and if he shall do so his vote shall not be counted, nor shall he be counted in the quorum for the resolution, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement or transaction or proposed contract or arrangement or transaction for the giving to such Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him any security or indemnity in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company and any of its subsidiaries;
 - (ii) any contract or arrangement or transaction or proposed contract or arrangement or transaction for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him has/have himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

- (iii) any contract or arrangement or transaction or proposed contract or arrangement or transaction concerning an offer of the shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement or transaction or proposed contract or arrangement or transaction in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his interest in shares or debentures or other securities of the Company;
- (v) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him may benefit; or
 - (bb) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors (or the Directors' close associate(s) (and if required by the Listing Rules, the Directors' other associate(s)) or entity(ies) connected with him) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s) (and other associate(s), as the case may be) or entity(ies) connected with him, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.
- (i) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the Chairman of meeting) or as to the entitlement of any Director (other than such Chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not be counted in the quorum, such question shall be referred to the Chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the Chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such Chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of

the interest of such Chairman as known to such Chairman has not been declared by such Director pursuant to Section 536 of the Ordinance and any applicable requirements under the Listing Rules.

- (j) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of these Articles provided that no Director who is materially interested in such transaction, together with any of his close associates (and if required by the Listing Rules, his other associate(s)) or entity(ies) connected with him, shall vote upon such Ordinary Resolution in respect of any shares in the Company in which they are interested.

105. The Company may from time to time in general meeting by special resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

Power of general meeting to increase or reduce number of Directors.

ROTATION OF DIRECTORS

106. Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third), who are not Directors in respect of whom the provisions of Article 96 apply, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director retiring at a meeting pursuant to this Article shall retain office until the close or adjournment of the meeting.

Retirement of Directors by rotation.

107. Any Director who wishes to retire and not to offer himself for re-election shall be included for the purposes of determining the number of the Directors to retire at any annual general meeting pursuant to the preceding Article 106. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last election or appointment and so that as between persons who became or were last elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for election.

108. The Company at the annual general meeting at which a Director retires in accordance with these Articles may fill up the vacated office by electing a person thereto, and in default of such election by the Company, the retiring Director shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until his place is filled, unless:

Retiring Directors to remain in office till successors appointed.

- (a) it is expressly resolved at such meeting not to fill up such vacated office; or
- (b) a resolution for the re-election of such Director shall have been put to the meeting and lost; or

- (c) such Director has given notice in writing to the Company that he is unwilling to be re-elected.
109. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company in each case during the period (being a period of at least seven (7) days) commencing on the day after the despatch of the notice of the general meeting at which elections to the office of Director are to be considered and ending on the day that falls seven (7) days before the date of the general meeting (both days inclusive). The notice shall give the particulars of that person which would, if he was so appointed or reappointed, be required to be included in the Company's register of directors.
110. The Company shall keep at its office a register containing all such particulars of its Directors as are required by the Ordinance to be kept therein and shall from time to time notify to the Registrar any change that takes place in such Directors or their particulars as required by the Ordinance.
111. The Company may by ordinary resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages under any contract) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.
- BORROWING POWERS**
112. The Board may from time to time at their discretion exercise all the powers of the Company to raise or borrow, or to secure the payment of, any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets and uncalled capital or any part thereof.
113. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
114. 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.

Notices to be given when person proposed for election.

Register of Directors and notification of changes to Registrar.

Power to remove Director by ordinary resolution.

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para 4(3)

Power to borrow.

Conditions on which money may be borrowed.

Special privileges.

- 115. 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, and subject to the provisions of the Ordinance, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise. Special privileges.

- 116. (a) 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. Register of charges to be kept.

- (b) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Ordinance. Register of debentures or debenture stock.

- 117. 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. Charge of uncalled capital.

MANAGEMENT DIRECTORS, ETC

- 118. The Board may from time to time appoint any one or more of the Directors as Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or to such other executive office in the management of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 102. Power to appoint Managing Director, etc.

- 119. Every Director appointed to an office under Article 118 hereof shall, subject to the provisions of any contract between himself and the Company with regard to his employment in such office, be liable to be dismissed or removed therefrom by the Board. Removal of Managing Director, etc.

- 120. A Director appointed to an office under Article 118 thereof shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he ceases to hold the office of Director for any cause. Cessation of appointment.

- 121. The Board may from time to time entrust to and confer upon Director all or any of the powers of the Board that it may think fit. But the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied. Powers may be delegated.

POWER OF DIRECTORS

122. Subject to any exercise by the Board of the powers conferred by Articles 121, 123, 124, 125, 131, 143 and 144 hereof, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

General powers of the Company vested in the Board.

MANAGERS

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

Appointment and remuneration of managers.

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

Tenure of office and powers.

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

Terms and conditions of appointment.

CHAIRMAN

126. (a) The Board may elect a Chairman and one or more Deputy Chairman for their meetings and determine the period of which the Chairman and any of the Deputy Chairmen are to hold office; but if at any meeting the Chairman is not present, or is unwilling so to act within five minutes after the time appointed for holding the same, the Deputy Chairman or any one of them (if more than one Deputy Chairman has been appointed), shall be the Chairman of that meeting; or if no such Chairman is elected and/or no Deputy Chairman is present or is willing so to act within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman for that meeting.

Chairman.

- (b) A Chairman elected pursuant to paragraph (a) of this Article shall *ipso facto* and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

PROCEEDINGS OF THE DIRECTORS

127. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two (2) Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director he shall for quorum purposes count as only one Director. Any Director may participate in a meeting of the Board or of any such committee of the Board by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other. Meetings of Directors, quorum, etc.
128. A Director may and, on request of a Director, the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director (as the case may be) either in writing or by telephone or by facsimile at the facsimile number from time to time notified to the Company by such Director or by telex or telegram at the address from time to time notified to the Company by such Director or by electronic mail at the electronic mail address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine, provided however that notice need not be given to any Director or alternate Director (as the case may be) for the time being absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective. Convening of Board meeting.
129. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting shall have a second or casting vote. How questions to be decided.
130. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally. Powers of meeting.
131. The Board may delegate any of their powers to committees consisting of such member or members of its body as the Board thinks fit, and it may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to person or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may time to time be imposed upon it by the Board. Power to appoint committee and to delegate.

132. All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect, as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
133. The meetings and proceedings of any such committee consisting of two or more members and resolutions in writing of any such committee shall be governed by the provisions herein contained for regulating the meetings, proceedings and resolutions in writing of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 131.
134. All acts *bona fide* done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that he had by virtue of Article 103(a) ceased to be a Director, be as valid as if every such person had been duly appointed and had not ceased to be a Director or member of such committee.
135. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the minimum number fixed by or pursuant to these Articles, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.
136. (a) A resolution in writing signed by all the Directors, or their alternate Directors for the time being entitled to receive notice of a meeting of the Board or by all the members of a committee of the Board for the time being, except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability shall (so long as they constitute a quorum as provided in Article 127) shall be as valid and effectual as if it had been passed at a meeting of the Board or committee of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors or the members of the committee of the Board. A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his signature to such resolution in writing for the purpose of this Article.

Acts of committee to be of same effect as acts of the Board.

Proceedings of committee.

When acts of Directors or committee to be valid notwithstanding defects.

Directors' powers when vacancies exist.

Directors' resolutions in writing.

- (b) Notwithstanding any contrary provisions contained in these Articles and subject to the Ordinance:
- (i) any signature of a Director or a member of a committee of the Board to any resolution in writing may be made electronically, and any such resolution bearing the electronic signature of any Director or any member of a committee of the Board shall be as valid and as effective as if it were bearing the handwritten signature of the relevant Director or member; and
 - (ii) any signification of agreement to a resolution in writing by a Director or a member of a committee of the Board authenticated as aforesaid shall be valid and as effective as if the resolution has been signed by such Director or member of a committee, and a certificate by a Director or the Secretary of such signification and authentication shall be sufficient evidence without further proof thereof.

MINUTES

137. (a) The Board shall cause minutes to be made of:
- (i) All appointments of officers made by the Board;
 - (ii) the name of the Directors or members of a committee of the Board present at each meeting of the Board and of committees appointment pursuant to Article 131; and
 - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (b) Any such minutes shall be conclusive evidence of any such proceedings and the facts stated therein if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

SECRETARY

138. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Ordinance or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially on that behalf by the Board.

Appointment
of Secretary.

139. The Secretary shall be an individual who, by virtue of his academic or professional qualifications or relevant experience is capable of discharging the functions of the company secretary or such other requirements in compliance with the Listing Rules and the Ordinance. The Secretary shall ordinarily reside in Hong Kong. Residence.
140. A provision of the Ordinance or of 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. Same person not to act in two capacities at once.

MANAGEMENT – MISCELLANEOUS

141. (a) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by any two Directors or any one Director and shall be countersigned by the Secretary or by a second Director or any two persons appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Board previously given. Seal.
- (b) 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.
- (c) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section 126 of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such official seal is affixed shall be valid and deemed to have sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid). The Company may have an official seal for use abroad under the provisions of the Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and it may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid. Official seal.

142. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking account shall be kept with such banker or bankers as the Board shall from time to time determine. Cheques and banking arrangements.
- 143 (a) The Board may from time to time, and at any time, by power of attorney under the common seal, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these 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. Power to appoint attorney.
- (b) The Company may, by writing under its common seal, empower any person, either generally or in respect of any specified matter, as its attorney, to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf in any place not situated within Hong Kong, and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the common seal of the Company. Execution of deeds by attorney.
144. The Board may establish any committees, local 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 committees, local boards or agencies and may fix their remuneration, any may delegate to any committee, local board, or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Local boards.
145. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and who hold or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The Board may also Pension funds.

establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

CAPITALISATION OF RESERVES

146. (a) The Company may at any time and from time to time, upon the recommendation of the Directors, by ordinary resolution resolve that any sum not required for the payment or provision of any fixed preferential dividend and standing, at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional, to the credit of any reserve accounts of the Company or to the credit of profit and loss account (whether or not the same be available for distribution) be capitalised, and that such sum be appropriated as capital to and amongst the holders of ordinary shares in the capital of the Company in proportion to the number of ordinary shares held by them respectively at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional or at such other time as may be stipulated in such resolution, and that the Directors shall in accordance with such resolution apply such sum in paying up in full or in part the issue price of any shares or debentures of the Company on behalf of such holders of ordinary shares in the capital of the Company, and appropriate such shares or debentures to and distribute the same credited as fully or partly paid up amongst such holders of ordinary shares in the capital of the Company in the proportions aforesaid in satisfaction of their shares and interests in the said capitalised sum, or shall apply such sum or any part thereof on behalf of such holders of ordinary shares in the capital of the Company in paying up the whole or part of any amounts which shall for the time being be unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by such resolution.

Power to capitalise.

(b) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provision for the benefit of fractional entitlements to accrue to the Company rather than to the members concerned) as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such

Effects of resolution to capitalise.

capitalisation, or, as the case may require, for the payment up by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

DIVIDENDS AND RESERVES

147. The Company in general meeting may declare dividends in any currency, but no dividends shall exceed the amount recommended by the Board. Power to declare dividends.
148. (a) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company, and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide* the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights. Board's power to pay interim dividends.
- (b) The Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board thinks fit.
149. (a) No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest. Provisions as to dividends.
- (b) For so long as any share issued under any share incentive scheme for employees remains subject to restrictions on dividends, voting and transfer imposed thereby, but without prejudice to the entitlement of the holder of such share to participate in any distribution on capitalization of reserves under Article 146, no dividend whether payable in cash or in specie or by way of allotment of fully paid shares under Article 151 hereof shall be declared or paid on such share.
150. Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payment shall be made to any members upon the footing of the value so fixed in Dividend in specie.

order to adjust the rights of all parties, and may vest and such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Ordinance, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend, and such appointment shall be effective.

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

Script
dividends.

(i) That such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:

(aa) the basis of any such allotment shall be determined by the Board;

(bb) the Board shall determine the manner in which shareholders shall be entitled to elect to receive cash in lieu of such an allotment, and the Board may make such arrangements as to the giving of notice to shareholders, providing for forms of election for completion by shareholders (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Board considers necessary or expedient in connection with the provisions of this paragraph (i);

(cc) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Board may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of such portion;

(dd) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non-elected shares”) and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the Company’s reserves (including

any undivided profits) an appropriate and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

- (ii) That the shareholders entitled to such dividend be entitled to elect to receive an allotment of shares credited as fully paid 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:
 - (aa) the basis of any such allotment shall be determined by the Board;
 - (bb) the Board shall determine the manner in which shareholders shall be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of any dividend in respect of which the Board shall have passed such a resolution as aforesaid, and the Board may make such arrangements as to the giving of notice to shareholders, providing for forms of election for completion by shareholders (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Board considers necessary or expedient in connection with the provisions of this paragraph (ii);
 - (cc) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded provided that the Board may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of such portion;
 - (dd) 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 to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the Company’s reserves (including any undivided profit) an appropriate sum and apply the same in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

and in either such case where the Board shall resolve that part only of such dividend shall be subject to an election by the shareholders entitled thereto, the Board may further resolve that the remaining part of such dividend not being

subject to election as aforesaid shall be a separate dividend and in that event it shall be deemed to be a separate dividend for all purposes notwithstanding that it shall have originally been regarded as part of such dividend.

- (b) Any allotment of shares pursuant to paragraph (a) of this Article shall be subject to members' approval pursuant to Section 141 of the Ordinance. The shares allotted pursuant to the provisions of paragraph (a) shall rank *pari passu* in all respects with the shares of the same class (if any) then in issue save only as regards participation:
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

New shares to rank *pari passu* with existing shares.

unless, contemporaneously with the announcement by the Board of their proposal to apply any of the provisions in paragraph (a) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (a) of this Article shall rank for participation in such distribution, bonus or rights.

- (c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) of this Article, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into, on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (d) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (a) 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 shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (e) The Board may on any occasion determine that an allotment of shares under paragraph (a) of this Article or a right of election to receive an allotment of shares under paragraph (a) of this Article shall not be made or made available to any shareholders with registered addresses in any territory where in the absence of a registration

Capitalisation and disposal of fractions.

Dividends satisfied wholly in shares.

Foreign shareholders.

statement or other special formalities the allotment of shares or the circulation of an offer of such right of election would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

Record date for rights of election.

- (f) The Board may on any occasion determine that rights of election under paragraph (a) of this Article shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board (being not earlier than twenty-eight (28) days before the record date for the relevant dividend) subject to such exceptions as the Board thinks fit, and in such event the provisions aforesaid shall be read and construed subject to such determination.

152. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward and profits which it may think prudent not to distribute by way of dividend.

Reserves.

153. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. But if any share is issued on terms providing that it shall rank for dividend as from a particular date such shares shall rank for dividend accordingly.

Dividends to be paid in proportion to paid up capital.

154. (a) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Retention of dividends, etc.

- (b) The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise in relation to the shares of the Company.

155. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

Dividend and call together.

156. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer. Effect of transfer.
157. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. Receipt for dividends by joint holders of shares.
158. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be sent at the risk of the holder or joint holder, as the case may be, and made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen, or that any endorsement thereon has been forged. Payment by post.
159. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof for any profit or benefit derived therefrom. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company. Unclaimed dividend.
160. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares on a particular date or at a point of time on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall *mutatis mutandis* apply to bonuses, capitalisation issue, distributions of realised capital profits or offers or grants made by the Company to the members. Record dates.
161. Without prejudice to the rights of the Company under Article 159, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two (2) consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque for dividend entitlements or dividend warrants is returned undelivered. Company may cease sending dividend warrants.

162. The Company shall have the power to sell, in such manner as the Board may think fit, any shares of a member who is untraceable, but no such sale shall be made unless:

Company may sell shares of untraceable members.

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the 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 caused an advertisement to be inserted in English in an English language newspaper and in Chinese in a Chinese language newspaper giving notice of its intention to sell such shares and has notified The Stock Exchange of Hong Kong Limited of such intention and a period of three months has elapsed since the date of such advertisement.

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

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

FINANCIAL STATEMENTS

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

Accounts to be kept.

164. The accounting records shall be kept at the Registered Office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.
165. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounting records of the Company, or any of them, shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any accounting records or document of the Company, except as conferred by the Ordinance or authorised by the Directors or by the Company in general meeting.
166. (a) The Board shall from time to time in accordance with the provisions of the Ordinance cause to be prepared and to be laid before the members of the Company at every annual general meeting, such financial statements and reports as are required by the Ordinance.
- (b) Every statement of financial position of the Company shall be signed pursuant to the provisions of the Ordinance, and a copy of the financial statements (including any such document(s) which under the applicable provisions of the Ordinance are required to be annexed thereto) which are to be laid before the Company in general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, shall not less than twenty-one (21) days before the date of the meeting, be sent or made available to every member of, and every holder of debentures of, the Company and every person registered under Article 44 and every other person entitled to receive notices of general meetings of the Company, provided that this Article shall not require a copy of those documents to be sent or made available (i) to any person of whose address the Company is not aware; (ii) to more than one of the joint holders of any shares or debentures; (iii) in the case of joint holders of any shares or debentures some of whom are and some of whom are not entitled to receive notices of general meetings of the Company, to those who are not so entitled; or (iv) to any holder of shares or debentures or any other person who is entitled to receive notices of general meetings of the Company, if the Company has sent or otherwise made available to such person a copy of the summary financial report in such form (including without limitation in electronic form and by way of publication on the Company's website or computer network) and language(s) as may from time to time be permitted under the applicable provisions of the Ordinance.

Where accounting records to be kept.

Inspection by members.

Annual financial statements.

Annual report of Directors and financial statements to be sent to members.

AUDITORS

167. (a) The Company shall at the annual general meeting in each year, and may at any other general meeting, by ordinary resolution, and in accordance with the provisions of the Ordinance, appoint Auditors to audit the accounts of the Company, and such Auditors shall hold office until the next annual general meeting. Auditors' duties shall be regulated in accordance with the provisions of the Ordinance.

Appointment and removal of Auditors.

S396, 419
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LR 13.88

- (b) The Company may at any general meeting by ordinary resolution remove the Auditors at any time before the expiration of its term of office and appoint another Auditors in its stead for the remainder of its term. Appendix 3,
para 17
168. Subject as otherwise provided by the Ordinance, the remuneration of the Auditors shall be fixed by the Company by ordinary resolution in general meeting, or in the manner specified in such a resolution. Remuneration
of Auditors.
Appendix 3,
para 17
S404 CO
169. Every statement of accounts, audited by the Company's Auditors and presented by the Board at an annual general meeting, shall after approval at such meeting, be conclusive except as regards any error discovered therein within three (3) months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of accounts amended in respect of the error shall be conclusive. When
accounts to
be deemed
finally
settled.

NOTICES

170. (a) Any notice or document or any Corporate Communication, whether or not, to be given or issued under these Articles by the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such notice and document may be given or issued by the following means, to the extent permitted by and subject to due compliance with the Ordinance, the Listing Rules and any applicable laws, rules and regulations:
- (1) by serving it personally on the relevant person by hand;
 - (2) by sending it through the post in a prepaid envelope addressed to the relevant person at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;
 - (3) by delivering or leaving it by hand at such address as aforesaid;
 - (4) by placing an advertisement in appropriate newspapers or other publications and where applicable, in accordance with the requirements of The Stock Exchange of Hong Kong Limited;
 - (5) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may, where required by the Company, provide to the Company for this purpose, subject to the Company complying with the Ordinance, the Listing Rules, and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;

- (6) by publishing it on the Company's computer network (including the Company's website), subject to the Company's complying with the Ordinance, the Listing Rules and other applicable laws, rules and regulations; or
 - (7) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations.
- (b) In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register and notice shall be deemed a sufficient service on or delivery to all the joint holders.
 - (c) Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice, document, any Corporate Communication and publication in respect of such share, which, prior to his name and address (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.
 - (d) Subject to any applicable laws, rules and regulations and these Articles, any notice, document, Corporate Communication or publication, including but not limited to the documents referred to in Article 166 and any Corporate Communication, may be given in the English language only, in the Chinese language only or in both the English language and the Chinese language.

171. Subject to the Ordinance and the Listing Rules:

- (a) where a notice or document or Corporate Communication is sent through the post to any member, such notice or document or Corporate Communication shall be sent to such member at his address as appearing in the Register. No member shall be entitled to require the Company to serve notices on him or send documents or Corporate Communication to him by any other means or to any other address other than the address as shown for the time being in the Register save and unless otherwise provided herein, the Ordinance or as may at any time and from time to time be so arranged by the Company with the written consent of the relevant member pursuant to applicable laws and the Listing Rules. If the Company is unable to obtain an address of the member as aforesaid, any notice or document or Corporate Communication may be sent to such member at his address last known to the Company in accordance with applicable laws and the Listing Rules; and
- (b) where a notice or document or Corporate Communication is sent or made available to any member in electronic form (other than by way of publication on the Company's website and computer network), it shall be transmitted to the electronic address or computer network or website supplied by him to the Company for the giving of notice or delivery of document or Corporate Communication from the Company to him to the extent permitted by, and in accordance with, applicable laws and the Listing Rules.

Notices sent to registered addresses of members.

172. Subject to the Ordinance and the Listing Rules:

- (a) any notice or document or Corporate Communication if sent by post by the Company shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted in Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document or Corporate Communication was properly prepaid, addressed and posted and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document or Corporate Communication was so pre-paid, addressed and posted shall be conclusive evidence thereof;
- (b) any notice or document or Corporate Communication if made available by the Company by way of publication on the Company's website shall be deemed to have been duly served at the later of: (1) the time when the notice, document, Corporate Communication or publication is first made available on the Company's website; and (2) the time when the notice of availability of such notice or document or Corporate Communication or publication is sent in accordance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations;
- (c) any notice or document or Corporate Communication if delivered personally or left at any such address referred to in Article 170(a)(2) by the Company shall be deemed to have been served at the time when the notice or document or Corporate Communication is delivered or left;
- (d) any notice or document or Corporate Communication if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement is first published; and
- (e) any notice or document or Corporate Communication if sent or transmitted by electronic means (other than making it available on the Company's website), shall be deemed to be served at the time when the notice or document or Corporate Communication is sent or transmitted from the server of the Company or its agent; and in proving such transmission or sending of notice or document or Corporate Communication thereof, a certificate in writing signed by the Secretary or other person appointed by the Board as to the act and time of such transmission or sending of notice or document or Corporate Communication thereof, shall be conclusive evidence thereof.

When notice by post or electronic means deemed to be served.

173. Subject to the Ordinance and the Listing Rules, a notice or document or Corporate Communication may be given or otherwise made available by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to

Services of notice to persons entitled on death, mental disorder or bankruptcy of a member.

be so entitled, or by any such means and in such form (including without limitation in electronic form and by way of publication on the Company's website and computer network) and language(s) as may from time to time be permitted under applicable laws and the Listing Rules, or (until an address has been so supplied by him) by giving the notice or document in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

174. Subject to the Ordinance and the Listing Rules, any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the Register shall be duly given to the person from whom he derives his title to such share.

Transferee to be bound by prior notices.

175. Subject to the Ordinance and the Listing Rules, any notice or document or Corporate Communication delivered or sent by post to or left at the registered address of any member, or made available by such means or in such form (including without limitation in electronic form and by way of publication on the Company's website or computer network) and language(s) as may from time to time be permitted under applicable laws and the Listing Rules in pursuance of these presents, 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 in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service, delivery or other act which is treated under the Ordinance as being as valid and effectual as service or delivery shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

Notice valid though member deceased or bankrupt.

176. (a) No signature shall be required on any notice to be given by the Company. If any signature is given, it may be either written or printed or made in electronic form.

Whether and how notice signed.

(b) Where a person has in accordance with applicable laws, rules and regulations consented to receive notices, other documents and Corporate Communication from the Company in the English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver or make available to him any notice or document or Corporate Communication in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have been given by such person to the Company in accordance with applicable laws, rules and regulations which shall have effect in respect of any notice or document or Corporate Communication to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.

Choice of language.

INFORMATION

177. Without prejudice to the general inspection rights conferred on the members under applicable laws, rules and regulations, no member (not being a Director) shall be entitled to require discovery of or receive any information in respect of any detail of the Company's business or trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board will be inexpedient in the interests of the members of the Company to communicate to the public.

Members not entitled to secret information.

DOCUMENTS

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

Authentication of documents.

- (b) (i) The Company shall be entitled to destroy the following documents at the following times:
- (aa) registered instruments of transfer: at any time after the expiration of seven years from the date of registration thereof;
 - (bb) allotment letters: at any time after the expiration of seven years from the date of issue thereof;
 - (cc) copies of powers of attorney, grants of probate and letters of administration: at any time after the expiration of two years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;
 - (dd) dividend mandates and notifications of change of address: at any time after the expiration of two years from the data of recording thereof; and
 - (ee) cancelled share certificates: at any time after the expiration of one year from the date of the cancellation thereof.

- (ii) it shall conclusively be presumed in favour of the Company:
 - (aa) that every entry in the register purporting to be made on the basis of any such documents so destroyed was duly and properly made; and
 - (bb) that every such document so destroyed was valid and effective and had been duly and properly registered, cancelled, or recorded in the books or records of the Company, as the case may be.
- (iii) (aa) The provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (bb) Nothing herein contained 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 other circumstances which would not attach to the Company in the absence of this Article; and
 - (cc) References herein to the destruction of any document include references to the disposal thereof in any manner.

WINDING UP

179. (a) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up. Voluntary winding up.
- (b) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution. Appendix 3, para 21
180. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up (otherwise than in advance of calls) on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but always subject to the rights of any shares which may be issued on special terms or conditions. Surplus assets to be distributed to shareholders.
181. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may, for such purpose, set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or Division amongst shareholders in specie or in kind.

different classes of members. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like sanction shall think fit, and liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other assets in respect of which there is a liability.

182. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses notices, process, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in an English language newspaper in English and a Chinese language newspaper in Chinese as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Service of
process.

INDEMNITY

183. (a) Subject to the provisions of and so far as may be permitted under the Ordinance and applicable laws, but without prejudice to any indemnity to which he may be otherwise entitled, every Director, Secretary or other officer and the Auditors of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.
- (b) Subject to the Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.
- (c) To the extent permitted by applicable laws, rules and regulations, the Company may purchase and maintain for any Director or director of an associated company of the Company insurance against any liability.

Indemnity.

AMENDMENT TO ARTICLES OF ASSOCIATION AND NAME OF THE COMPANY

184. Any rescission, alteration or amendment of these Articles or a change to the name of the Company shall only be made with the approval of the Company by special resolution.

Appendix 3,
para 16

The following table sets out the details of the initial subscribers of the Company and the initial number of shares taken by each of them on 2nd day of June, 1978:

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
<p>For and on behalf of FAIR WIND SECRETARIAL SERVICES LIMITED</p> <p>(Sd.) Clement P. K. Lam</p> <p>_____</p> <p>Director Room 2601, Connaught Centre, Hong Kong. Limited Company</p>	<p>One</p>
<p>For and on behalf of JUSTINIAN (NOMINEES) LIMITED</p> <p>(Sd.) Clement P. K. Lam</p> <p>_____</p> <p>Director 2601, Connaught Centre, Hong Kong. Limited Company</p>	<p>One</p>
<p>Total Number of Shares Taken</p>	<p>Two</p>

NOTICE OF ANNUAL GENERAL MEETING



FAR EAST HOTELS AND ENTERTAINMENT LIMITED

遠東酒店實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00037)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Far East Hotels and Entertainment Limited (the “Company” and the “AGM”, respectively) will be held at the Conference Room, 2/F, Cheung Chau Warwick Hotel, East Bay, Cheung Chau, Hong Kong on Wednesday, 13 September 2023 at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

As ordinary business:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) and the reports of the directors and independent auditor of the Company for the year ended 31 March 2023.
2. To re-elect the retiring directors of the Company (the “Directors”).
3. To authorise the board of Directors (the “Board”) to fix the remuneration of the Directors for the year ending 31 March 2024 (the “Year 2024”).
4. To re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company in respect of the consolidated financial statements of the Group for Year 2024 and to authorise the Board to fix the remuneration of the independent auditor.

As special business:

To consider and, if thought fit, pass the following resolutions, with or without amendments, as Ordinary Resolutions:

5. **“THAT**
 - (a) subject to paragraph (c) of this resolution and pursuant to sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue

NOTICE OF ANNUAL GENERAL MEETING

and deal with additional shares of the Company (the “Shares”) and to make or (a) grant offers, agreements and options (including bonds, warrants and debentures convertible into or exchangeable for Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into or exchangeable for Shares) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of additional Shares which may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any Share Option Scheme (as hereinafter defined) of the Company; (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares or warrants to subscribe for Shares; or (iv) any scrip dividend or other similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company (the “Articles of Association”), shall not exceed 20% of the aggregate number of issued Shares as at the date of passing of this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - i. the conclusion of the next annual general meeting of the Company (the “AGM”);
 - ii. the expiration of the period within which the next AGM is required by the Articles of Association or any applicable laws to be held; and
 - iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange applicable to the Company); and

NOTICE OF ANNUAL GENERAL MEETING

“Share Option Scheme” means a share option scheme or similar arrangement for the time being, as varied from time to time, adopted for the grant or issue of shares or rights to acquire shares.”

6. **“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange under the Code on Share Buy-backs issued by the Securities and Futures Commission for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of other stock exchange as amended, supplemented or otherwise modified from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company (the “Shares”) to be bought back by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of the issued Shares as at the date of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - i. the conclusion of the next annual general meeting of the Company (the “AGM”);
 - ii. the expiration of the period within which the next AGM is required by the articles of association of the Company or any applicable laws to be held; and
 - iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** conditional upon the passing of Ordinary Resolutions No. 5 and 6 as set out in the notice convening this annual general meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares of the Company (the “Shares”) pursuant to the said Ordinary Resolution No. 5 be and is hereby extended by the addition thereto the aggregate number of Shares bought back by the Company under the authority granted pursuant to the said Ordinary Resolution No. 6 provided that such amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

To consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

8. **“THAT**

- (a) the new articles of association of the Company, a copy of which has been produced to the meeting marked “A” and initialled by the Chairman for the purpose of identification (“New Articles”), be and is hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing memorandum and existing articles of association of the Company in force immediately before the passing of this special resolution; and
- (b) any director or the secretary of the Company or such other person(s) as may be delegated by any of them be and is hereby authorised to sign and file the prescribed forms (if required) with the relevant government authorities in relation to the adoption of the New Articles, and to do all things necessary to effect and record the adoption of the New Articles.”

By order of the Board

Far East Hotels and Entertainment Limited

DEREK CHIU

Executive Director, Chairman, Managing Director and Chief Executive

Hong Kong, 31 July 2023

Registered and Principal Office:

Suite 1902, 19th Floor
The Sun’s Group Centre
200 Gloucester Road
Wanchai, Hong Kong

Notes:

1. For determining the entitlement of the members of the Company (the “Members”) to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 8 September 2023 to Wednesday, 13 September 2023 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending the AGM, the non-registered shareholders of the Company must lodge all transfer documents accompanied by the relevant share certificates with Tricor Standard Limited, the Share Registrar of the Company, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 7 September 2023.
2. A Member entitled to attend and vote at the AGM is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and vote on his/her/its behalf. A proxy need not be a Member.

NOTICE OF ANNUAL GENERAL MEETING

3. Where there are joint registered holders of any Share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such Share as if he was solely entitled thereto, but if more than one of such joint holders is present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company shall, in respect of such Share, be entitled alone to vote in respect thereof.
4. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed must be lodged with the Tricor Standard Limited, the Share Registrar of the Company at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 48 hours before the time appointed for the holding of the AGM (or the adjourned meeting) as the case may be, excluding any public holiday in Hong Kong.
5. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the AGM or its adjourned meeting, if he/she/it so wishes. If such Member attends the AGM, his/her/its form of proxy will be deemed to have been revoked.
6. Concerning Ordinary Resolution No. 2 above, Mr. Ng Wing Hang Patrick, Mr. Choy Wai Shek Raymond and Mr. Ng Chi Kin shall retire by rotation and, being eligible, have offered themselves for re-election at the AGM. Details of the above Directors are set out in Appendix II to the circular dated 31 July 2023.
7.
 - a. Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 11:00 a.m. and 6:00 p.m. on the date of the AGM, the AGM will be postponed and Shareholders will be informed of the date, time and venue of the postponed AGM by a supplemental notice posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.
 - b. If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 11:00 a.m. on the date of the AGM and where conditions permit, the AGM will be held as scheduled.
 - c. The AGM will be held as scheduled when a tropical cyclone warning signed No. 3 or below or an amber or red rainstorm warning signal is in force.
 - d. After considering their own situations, Members should decide on their own whether or not they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
8. The translation into Chinese language of this notice convening the AGM is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the executive Directors are Mr. Derek Chiu (Chairman, Managing Director and Chief Executive) and Ms. Amanda Chiu; the non-executive Directors are Madam Chiu Ju Ching Lan and Mr. Alex Chiu; and the independent non-executive Directors are Mr. Ip Shing Hing, Mr. Ng Wing Hang Patrick, Mr. Choy Wai Shek Raymond and Mr. Ng Chi Kin.