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

If you have sold or transferred all your shares in Elegance Optical International Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other registered dealer or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED

高雅光學國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

**PROPOSALS INVOLVING RENEWAL OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Elegance Optical International Holdings Limited to be held at Portion 2, 12th Floor, The Center, 99 Queen's Road Central, Hong Kong on Thursday, 31 August 2023 at 10:00 a.m. is set out on pages 82 to 86 of this circular.

Please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM (i.e. by Tuesday, 29 August 2023 before 10:00 a.m.) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you subsequently so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

31 July 2023

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Portion 2, 12th Floor, The Center, 99 Queen’s Road Central, Hong Kong, on Thursday, 31 August 2023 at 10:00 a.m. notice of which is set out on pages 82 to 86 of this circular;
“Board”	the board of Directors;
“Bye-law(s)”	the existing bye-law(s) of the Company as amended from time to time;
“close associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Company”	Elegance Optical International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“core connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot and issue Shares as set out in the notice convening the AGM;
“Latest Practicable Date”	24 July 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Committee”	has the meaning as defined in the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“New Bye-laws”	the amended and restated bye-laws of the Company proposed to be adopted by the Company pursuant to a resolution to be passed by the Shareholders at the AGM;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares as set out in the notice convening the AGM;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	the holder(s) of issued Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Codes on Takeovers and Mergers as amended from time to time; and
“%”	per cent.

LETTER FROM THE BOARD



ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED

高雅光學國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

Executive Director:

Mr. Chung Yuk Lun

Independent Non-Executive Directors:

Mr. Man Wai Lun

Mr. Cheng Chun Man

Mr. Hui Man Ho, Ivan

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Room 22, 22/F

On Hong Commercial Building

145 Hennessy Road

Wan Chai

Hong Kong

31 July 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS INVOLVING RENEWAL OF GENERAL MANDATES
TO ISSUE NEW SHARES AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Directors wish to seek the approval of the Shareholders at the AGM for (i) renewal of the Issue Mandate and the Repurchase Mandate; (ii) re-election of retiring Directors; and (iii) adoption of New Bye-laws. The purpose of this circular is to provide you with details of these proposals, the relevant information required under the Listing Rules, and to give you notice of the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The Directors will propose ordinary resolutions at the AGM to grant to the Directors:

- (i) the Issue Mandate to allot, issue and otherwise deal with new Shares of not exceeding 20% of the total number of issued Shares as at the date of the AGM and, subject to the Repurchase Mandate mentioned below approved by the Shareholders at the AGM, to add to such mandate any Shares repurchased by the Company pursuant to the Repurchase Mandate by a separate resolution at the AGM; and
- (ii) the Repurchase Mandate to repurchase Shares of not exceeding 10% of the total number of issued Shares as at the date of passing the proposed resolution at the AGM.

As at the Latest Practicable Date, a total of 872,863,684 Shares were in issue. Subject to the passing of the ordinary resolution approving the Issue Mandate to issue Shares and assuming that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 174,572,736 Shares.

As at the Latest Practicable Date, a total of 872,863,684 Shares were in issue. Subject to the passing of the ordinary resolution approving the Repurchase Mandate to repurchase Shares and assuming that no further Shares are issued or repurchase prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 87,286,368 Shares.

The Issue Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the relevant resolutions granting such mandates as set out in the notice of the AGM.

An explanatory statement, as required by the Listing Rules, to give all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the Repurchase Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Bye-laws of the Company, Mr. Chung Yuk Lun and Mr. Hui Man Ho, Ivan (“**Retiring Directors**”) shall retire by rotation as Directors at the AGM. All Retiring Directors, being eligible, will offer themselves for re-election.

Particulars of the Retiring Directors proposed for re-election at the AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in Appendix II to this Circular.

LETTER FROM THE BOARD

Recommendations of the Nomination Committee

The Nomination Committee has reviewed the biographical details of the Retiring Directors and their meeting of nomination criteria (including but not limited to, character and integrity, professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy, time commitment to effectively discharge duties as Board member) and considered the diversity aspects (including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) and took the view that the Retiring Directors have been contributing to the Group effectively and are committed to their role as Directors.

The Board accepted the recommendation of the Nomination Committee for recommending the Shareholders to re-elect the Retiring Directors as Directors at the AGM. Each of them abstained from voting at the Board meeting regarding his own nomination.

The Board considered that the re-election of the Retiring Directors as Directors was in the best interest of the Company and the Shareholders as a whole and recommends the Shareholders to vote for their re-election at the AGM.

4. ADOPTION OF NEW BYE-LAWS

The Board proposes to amend the Bye-laws by way of adoption of the New Bye-laws in substitution for and to the exclusion of the Bye-laws ("**Adoption of New Bye-laws**") for the purpose of (i) conforming with the latest Listing Rules and the applicable laws of Bermuda; (ii) providing flexibility to the Company in relation to the conduct of general meetings (including allowing participation in any general meeting or any class meeting held by means of such telephone, electronic communication or other communication facilities as to permit all persons participating in the meeting to communicate with each other); and (iii) making other consequential and housekeeping amendments.

A summary of major amendments is set out below:

1. to insert the definitions of "appointed newspaper", "close associate", "corporate representative", "electronic communication", "Newspapers", "Registered Office" and "extraordinary resolution"; to delete the definition of "associate"; and make corresponding changes to the relevant Bye-laws;
2. the register of members and branch register of members shall be open for inspection by members but the Company may be permitted to close the register at such times or for such periods not exceeding in the whole thirty days in each year as the Board may determine and either generally or in respect of any class of shares;

LETTER FROM THE BOARD

3. to provide that an annual general meeting of the Company be held in each financial year (instead of each year) and within 6 months after the end of the Company's financial year (instead of requiring it to be held not more than 15 months after the preceding annual general meeting) in accordance with the new Listing Rules;
4. to provide that shareholders holding not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition;
5. to specify that an annual general meeting shall be called by 21 clear days' notice in writing at the least, and all other general meetings of the Company (including a special general meeting) shall be called by at least 14 clear days' notice in writing;
6. to allow general meetings to be held as physical meetings in any place, or by means of telephone, electronic communication or other communication facilities as determine by the Board;
7. to allow Shareholder(s) to have the right to speak and vote at general meetings of the Company;
8. to specify that a resolution put to the vote at general meetings of the Company shall be decided by poll except where the chairman of the meeting in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands;
9. to specify that any director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the first annual general meeting (instead of the next following general meeting) of the Company after his appointment;
10. to replace "associates" by "close associates" with respect to resolutions of the Board approving contracts or arrangements under which a Director has a material interest and to remove the exception shown in the Bye-laws which allows a Director to vote on any resolution of the Board approving any contract or arrangement concerning any other company where the Director or his associate is interested only as officer or executive or shareholder provided that the Director and his associate are not in aggregate beneficially interested in 5% or more of the issued shares or of the voting rights of any class of shares of such company;
11. to include managing director and executive director in the relevant Bye-law that the Company may by ordinary resolution remove any Director before the expiration of his term of office;

LETTER FROM THE BOARD

12. to require an extraordinary resolution (i.e. passed by a majority of not less than two-thirds of votes cast), rather than a special resolution (i.e. passed by a majority of not less than three-fourths of votes cast) of Shareholders to remove an auditor before the expiration of his term of office and by ordinary resolution to appoint another auditor and fix his remuneration;
13. other amendments to better align with the wordings in the Listing Rules and applicable laws of Bermuda.

In view of the number of amendments proposed to be made to the Bye-laws, the Board proposed that the New Bye-laws with all the proposed amendments to the Bye-laws be adopted in substitution for and to the exclusion of the Bye-laws, instead of carrying out piecemeal modifications on the Bye-laws.

The proposed amendments to the Bye-laws and the adoption of New Bye-laws are subject to the approval of the Shareholders by way of a special resolution at the AGM.

5. ANNUAL GENERAL MEETING

The notice convening the AGM to be held at Portion 2, 12th Floor, The Center, 99 Queen's Road Central, Hong Kong on Thursday, 31 August 2023 at 10:00 a.m. is set out on pages 82 to 86 of this circular. Ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate and the re-election of Retiring Directors and a special resolution to approve the adoption of New Bye-laws will be proposed at the AGM.

A form of proxy for use at the AGM is also enclosed with this circular. Such form of proxy is also published on the website of the Stock Exchange (<https://www.hkexnews.hk>). Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof, should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

The chairman of the AGM will demand for poll to be taken on votes cast on the resolutions proposed at the AGM pursuant to Rule 13.39(4) of the Listing Rules. An announcement on the results of the poll will be published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.irasia.com/listco/hk/eleganceoptical>) respectively after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules. As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, none of the Shareholders are required to abstain from voting in the AGM under the Listing Rules.

LETTER FROM THE BOARD

6. RECOMMENDATION

As at the Latest Practicable Date, the Company does not have any plan, intention, agreement or negotiation to (i) repurchase any Shares under the Repurchase Mandate; and (ii) issue any Shares under the Issue Mandate.

The Directors consider that the renewal of the Issue Mandate, the Repurchase Mandate, the re-election of Retiring Directors and adoption of New Bye-laws are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions as set out in the notice of the AGM.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement), Appendix II (Details of Retiring Directors proposed for re-election) and Appendix III (The New Bye-laws) to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Elegance Optical International Holdings Limited
Chung Yuk Lun
Executive Director

This is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Repurchase Mandate to be proposed at the AGM.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 872,863,684 Shares in issue. Subject to the passing of the relevant ordinary resolution at the AGM to approve the Repurchase Mandate to repurchase Shares and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 87,286,368 Shares, representing 10% of the total number of issued Shares of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earning per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Any repurchase of Shares by the Company will be made out of the Company's funds which will otherwise be available for dividends or distributions, or proceeds of a new issue of Shares made for such purposes. In repurchasing Shares, the Company may only apply funds legally available for such purposes in accordance with the Bye-laws, the laws of Bermuda and other applicable laws. As compared with the position disclosed in the Company's most recently published audited financial statements as at 31 March 2023, and taking into the current working capital position of the Company, the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event the proposed repurchases under the Repurchase Mandate were to be carried out in full during the proposed repurchase period.

The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing level.

4. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the proposed Repurchase Mandate to repurchase Shares in accordance with the Listing Rules, the applicable laws of Bermuda and the Bye-laws.

5. EFFECT OF THE TAKEOVERS CODE

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

The Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, have any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected persons of the Company have notified the Company that he or she has a present intention to sell the Shares to the Company or have undertaken not to sell any of the Shares held by him or her to the Company, in the event that the Company is authorised to make purchases of Shares.

7. SHARE REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any of its Shares (on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

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

Month	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
July 2022	0.66	0.52
August 2022	0.79	0.54
September 2022	0.84	0.53
October 2022	0.485	0.47
November 2022	0.62	0.48
December 2022	0.57	0.405
January 2023	0.48	0.405
February 2023	0.495	0.425
March 2023	0.43	0.275
April 2023	0.33	0.24
May 2023	0.285	0.213
June 2023	0.365	0.203
July 2023 (up to and including the Latest Practicable Date)	0.365	0.241

The following are the details of the Directors due to retire and proposed to be re-elected at the AGM:

MR. CHUNG YUK LUN***Executive Director***

Mr. Chung, aged 62, had been appointed as an executive director of the Company from 29 September 2018 to 11 January 2019 and was reappointed on 15 July 2019. He is also the company secretary, an authorised representative and a consultant of the Company. Mr. Chung is a fellow member of the Association of Chartered Certified Accountants, an associate member of The Hong Kong Institute of Certified Public Accountants, a fellow member of The Institute of Chartered Accountants in England and Wales and an ICAEW Business and Finance Professional. He has over 30 years' management experience at board level in a number of listed companies in Hong Kong.

Mr. Chung is currently (i) an executive director, company secretary and authorised representative of China Come Ride New Energy Group Limited (Stock Code: 8039); and (ii) the company secretary of QPL International Holdings Limited (Stock Code: 243), all are listed companies in Hong Kong.

During the past 3 years, Mr. Chung was an executive director and authorised representative of CT Environmental Group Limited (Stock Code: 1363), a listed company in Hong Kong, until 9 August 2021.

The following two private companies had been dissolved while Mr. Chung was a director at the relevant time. Details of the two winding up cases are set out below:

Cupac Technology Limited, a private company incorporated in Bermuda which was an investment holding company, was resolved by its board of directors to wind up by compulsory liquidation in mid-2009 in accordance with the Bermuda Companies Act because the company was insolvent and had an estimated deficiency of HK\$447,575,921. The winding up order was granted by the Bermuda Court on 21 August 2009 and the company was dissolved on 1 November 2012.

Cupac Finance Limited, a private company incorporated in Hong Kong where its principal activity was advancement of loans, was wound up by its board of directors and had a cash and bank balance of HK\$4,438. The company originally intended to have it being wound up by members winding up, but due to clerical errors, it was wound up by creditors winding up. Its board resolution for winding up was passed on 27 November 2009 and the company was dissolved on 3 December 2010.

The directorship of Mr. Chung in the Company is subject to retirement by rotation and re-election at general meetings of the Company in accordance with the Bye-laws and the Listing Rules. Mr. Chung is entitled to receive a director's fee of HK\$30,000 per month which is recommended by the Remuneration Committee and determined by the Board as authorized by the Shareholders at the annual general meeting after considering a range of factors including his experience, duties and responsibilities undertaken by him as a Director of the Company.

As at the Latest Practicable Date, Mr. Chung has a personal interest of 8,000,000 option shares granted by the Company under the Company's Share Option Scheme. Save as disclosed above, (i) Mr. Chung did not have any other interest in the Company within the meaning of Part XV of the SFO; (ii) Mr. Chung did not have any relationship with other Directors, senior management of the Company, or substantial or controlling Shareholders; (iii) there was no other information relating to the re-election of Mr. Chung that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules; (iv) Mr. Chung did not hold any directorship in other listed companies in Hong Kong or overseas in the last three years; and (v) there were no other matters in relation to the re-election of Mr. Chung that need to be brought to the attention of the Shareholders.

MR. HUI MAN HO, IVAN***Independent Non-executive Director***

Mr. Hui, aged 44, has been appointed as an independent non-executive director of the Company since 31 March 2020. He is a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. Mr. Hui holds master degree in Practising Accounting, master degree in Applied Finance and bachelor degree in Business (Banking & Finance) from Monash University, Australia. He is also a member of CPA Australia. Mr. Hui has over 17 years of working experience in auditing, accounting, financial management and corporate finance. Currently, Mr. Hui is an independent non-executive director of Upbest Group Limited (Stock Code: 335) and Zhejiang United Investment Holdings Group Limited (Stock code: 8366). He was previously an independent non-executive director of Prime Intelligence Solutions Group Limited (Stock Code: 8379) from January 2018 to December 2021. All are listed companies in Hong Kong.

There is no service contract between Mr. Hui and the Company. Under the letter of appointment entered into between Mr. Hui and the Company, his appointment as independent non-executive Director shall be for an initial term of two (2) years commencing from 31 March 2020 and shall continue automatically thereafter on a yearly basis until being terminated by either party with written notice. His directorship in the Company is also subject to retirement by rotation and re-election at general meetings of the Company in accordance with the Bye-laws.

Mr. Hui is entitled to receive a director's fee of HK\$10,000 per month which is determined by the Board with recommendation of the Remuneration Committee after considering a range of factors including his experience, duties and responsibilities undertaken by him as a Director of the Company.

As at the Latest Practicable Date, save as disclosed above, (i) Mr. Hui did not have any interest in the Company within the meaning of Part XV of the SFO; (ii) Mr. Hui did not have any relationship with other Directors, senior management of the Company, or substantial or controlling Shareholders; (iii) there was no other information relating to the re-election of Mr. Hui that should be disclosed pursuant to Rule 13.51(2) of the Listing Rules; (iv) Mr. Hui did not hold any directorship in other listed companies in Hong Kong or overseas in the last three years; and (v) there were no other matters in relation to the re-election of Mr. Hui that need to be brought to the attention of the Shareholders.



ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED

高雅光學國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

AMENDED AND RESTATED BYE-LAWS

(Adopted by way of a special resolution passed at a general meeting held on 31 August 2023)

THE COMPANIES ACT 1981

Company Limited by Shares

AMENDED AND RESTATED

BYE-LAWS OF

ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED

高雅光學國際集團有限公司

Interpretation

1. The headings to these Bye-laws shall not be deemed to be part of these Bye-laws and shall not affect their interpretation and in the interpretation of these Bye-laws, unless there be something in the subject or context inconsistent therewith:-

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

“Auditors” shall mean the auditors for the time being of the Company or, in the case of joint auditors, any one of them;

“Bermuda” shall mean the Islands of Bermuda;

“Board” shall mean the Board of 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 at which there is a quorum;

“business day” shall exclude Saturdays, Sundays and public holidays in Hong Kong;

“call” shall include any instalment of a call;

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

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

“clearing house” shall mean a clearing house recognized by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

“Company” shall mean ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED 高雅光學國際集團有限公司, incorporated in Bermuda on 8 December, 1995;

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

“close associate” in relation to any Director, shall have the same meaning as defined in the Listing Rules as modified from time to time, except that for purposes of Bye-Law 109B where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules; Ch. 13.44

“corporate representative” shall mean any person appointed to act in that capacity pursuant to Bye-laws 96A or 96B;

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

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

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

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

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

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

“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

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

“month” shall mean a calendar month;

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

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

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

“register” shall mean the Principal Register or any branch register of members of the Company to be kept pursuant to the provisions of Bye-law 15;

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

“seal” shall mean any common seal from time to time of the Company and includes, unless the context otherwise requires, any duplicate seal or securities seal that the Company may have as permitted by the Statutes;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons;

“share” shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;

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

“Statutes” shall mean the Companies Act and every other act (as may from time to time be amended) for the time being in force in Bermuda applying to or affecting the Company, its Memorandum of Association and/or these Bye-laws;

“subsidiary” shall mean any subsidiary within the meaning of section 86 of the Companies Act;

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

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

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

words importing any gender shall include every gender;

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

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

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

References to any statute or statutory provision shall include any orders regulations or other subordinate legislation made under it and shall, unless the context otherwise requires, be construed as relating to any modification or re-enactment thereof for the time being in force.

References to any Bye-laws by number are to the particular Bye-law of these Bye-laws.

A resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their respective duly authorised representatives or, where proxies and attorneys are allowed, by proxy or by attorney at a general meeting of which notice has been given in accordance with Bye-law 71.

A resolution shall be an ordinary resolution when it has been passed by a simple majority of the 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 and attorneys are allowed, by proxy or by attorney at a general meeting held in accordance with these presents of which notice has been given in accordance with Bye-law 71.

A resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two thirds of votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies and attorneys are allowed, by proxy or by attorney at a general meeting held in accordance with these presents of which notice has been given in accordance with Bye-law 71.

A special resolution or extraordinary resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes.

2. Without prejudice to any other requirements of the Statutes, a special resolution shall be required to alter the provisions of the Memorandum of Association, to approve any amendment of these presents or to change the name of the Company.

Share Capital and Modification of Rights

3. (A) The share capital of the Company at the date on which these Bye-laws, as amended, come into effect shall be divided into shares of HK\$0.01 each.
- (B) Subject to the Statutes, and where applicable, the rules of the stock exchange in the Relevant Territory and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (C) Subject to the Statutes:–
 - (i) the Company may in accordance with an employees' share scheme approved by the shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company. For the purposes of this Bye-law, an employees' share scheme is a scheme for encouraging or facilitating the holding of shares or debentures in the Company by or for the benefit of bona fide employees or former employees (including, notwithstanding section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) of the Company, a subsidiary or holding company of the Company or a subsidiary of the Company's holding company, or the wives, husbands, widows, widowers or children or step-children under the age of twenty-one of such employees or former employees;

- (ii) the Company, a subsidiary or holding company of the Company or a subsidiary of the Company's holding company may make loans to persons (including, notwithstanding section 96 of the Companies Act, any such bona fide employee or former employee who is or was also a director) employed in good faith by the Company with a view to enabling those persons to acquire fully or partly paid shares in the Company or its holding company to be held by them by way of beneficial ownership; and
 - (iii) the Company may give any other financial assistance in accordance with the Companies Act.
- (D) The conditions subject to which money and loans are provided under subparagraphs (i) and (ii) of paragraph (C) of this Bye-Law may include a provision to the effect that when an employee ceases to be employed by the Company, the shares acquired with such financial assistance shall or may be sold to the Company on such terms as the Board thinks fit.
- 4. 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).
- 5. Subject to the Statutes, any preference shares may, with the sanction of a special resolution, be issued on terms:
 - (i) that they are to be redeemed on the happening of a specified event or on a given date; and/or,
 - (ii) that they are liable to be redeemed at the option of the Company; and/or,
 - (iii) if authorised by the Memorandum of Association of the Company, that they are liable to be redeemed at the option of the holder.
- 6. The Board may issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

7. (A) Subject to the Companies Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:
- (i) the necessary quorum (including at an adjourned meeting) shall be two persons (or in the case of a member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issue shares of that class;
- (ii) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
- (iii) any holder of shares of the class present in person or by proxy may demand a poll.
- (B) The provisions of this Bye-law shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

Shares and Increase of Capital

8. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and in such lawful currency as the resolution shall prescribe.

9. Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Statutes and of these Bye-laws, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must included the words “restricted voting” or “limited voting”.
10. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.
11. Except so far as otherwise provided by the conditions of issue or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.
12. All unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as the Board shall (except in accordance with the provisions of the Statutes) in its absolute discretion think fit, but so that no shares shall be issued at a discount. The Board shall, as regards any offer or allotment of shares, comply with the provisions of the Statutes, if and so far as such provisions may be applicable thereto. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.

13. 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 if the commission shall be paid or payable out of capital the conditions and requirements of the Statutes shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued. The Company may also on any issue of shares pay such brokerage as may be lawful. The Board may at any time after the allotment of any shares, but before any person has been entered in the register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation on such terms and conditions as the Board may think fit to impose.
14. Except as otherwise expressly provided by these Bye-laws or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder.

Register of Members and Share Certificates

15. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Statutes.
- (B) Subject to the provisions of the Statutes, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on any stock exchange in Hong Kong, the Company shall keep a branch register in Hong Kong. A branch register shall be kept in the same manner in which, under the Statutes, the register of members is required to be kept.
- (C) The register of members and branch register of members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Registered Office or such other place at which the Principal Register is kept in accordance with the Companies Act.

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- (D) The Principal Register including any overseas or local or other branch register of shareholders may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers circulating generally in Hong Kong in accordance with the requirements of the Listing Rules, be closed at such times or for such periods not exceeding in the whole thirty days in each year as the Board may determine and either generally or in respect of any class of shares. App. 3
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16. Every person whose name is entered as a member in the register shall be entitled without payment to receive within ten business days after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, upon payment of such sum (not exceeding in the case of any share capital listed on a stock exchange in Hong Kong, as the stock exchange in the Relevant Territory and/or any competent regulatory authority may determine to be the maximum fee payable or such lesser sum as the Board may determine, and, in the case of any other share capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise in each case such other sum as the Board may from time to time determine) for every certificate after the first as the Board shall from time to time determine, such number of certificates for shares in stock exchange board lots (if any) 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.
17. Every certificate for shares, warrants or debentures or representing any other form of security of the Company shall be issued under the seal of the Company. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.
18. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares.
19. (A) The Company shall not be bound to register more than four persons as joint holders of any share.
- (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the share.

20. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu for such sum (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, as the stock exchange in the Relevant Territory and/or any competent regulatory authority may determine to be the maximum fee payable or such lesser sum as the Board may determine, and, in the case of any other share capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise in each case such other sum as the Board may from time to time determine) as the Board shall from time to time determine.
- (B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request subject to the payment of such sum (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, as the stock exchange in the Relevant Territory and/or any competent regulatory authority may determine to be the maximum fee payable or such lesser sum as the Board may determine, and, in the case of any other share capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise in each case such other sum as the Board may from time to time determine) for every certificate after the first, as the Board shall from time to time determine.
21. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.50, and, in the case of any other capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise in each case such other sum as the Board may from time to time determine 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.

Lien

22. 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 and bonuses declared in respect thereof. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempt wholly or partially from the provisions of this Bye-law.
23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up to the shares.
24. 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 thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares

25. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) 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.
26. 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.
27. A copy of the notice referred to in Bye-law 26 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.
28. In addition to the giving of notice in accordance with Bye-law 27, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be inserted once at least in a leading English language daily newspaper and (if the Relevant Territory is Hong Kong) in a leading Chinese language daily newspaper circulating in the Relevant Territory.
29. 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.
30. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
31. 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.
32. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in wholes or in part. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
33. If the whole of 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 all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the unpaid amount at such rate not exceeding twenty per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such costs, charges, expenses or interest wholly or in part.

34. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member unless and until he shall have paid all calls or instalments for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).
35. 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 or was entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
36. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Bye-laws be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.
37. 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 twenty per cent. per annum as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

Transfer of Shares

38. Subject to the Statutes, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominees(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
39. The instrument of transfer of any share shall be executed by or on behalf of the transferor and 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 Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
40. (A) The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the Principal Register to any branch register or any share on any branch register to the Principal Register or any other branch register.
- (B) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time stipulate, and which agreement it shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold) no shares upon the Principal Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Principal Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Principal Register, at the Transfer Office. Unless the Board otherwise agrees all transfers and other documents of title shall be lodged for registration with, and registered, at the relevant Registration Office.
41. The Board may, in its absolute discretion and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, 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.

42. The Board may also decline to recognise any instrument of transfer unless:–
- (i) in the case of any share capital listed on a stock exchange in Hong Kong, such fee as the stock exchange in the Relevant Territory and/or any competent regulatory authority may determine to be the maximum fee payable or such lesser sum as the Board may determine and, in the case of any other share capital, such sum in such currency as the Board may from time to time determine to be reasonable in the territory in which the relevant register is situate, or otherwise in each case such other sum as the Board may from time to time determine is paid to the Company in respect thereof;
 - (ii) the instrument of transfer is lodged at the relevant Registration Office or, as the case may be, the Transfer Office accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (iii) the instrument of transfer is in respect of only one class of share;
 - (iv) the shares concerned are free of any lien in favour of the Company;
 - (v) where applicable, the instrument of transfer is properly stamped; and
 - (vi) where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.
43. No transfer shall be made to an infant or a person of unsound mind or under other legal disability.
44. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.
45. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him, 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 in each case upon payment of such fee as the stock exchange in the Relevant Territory and/or any competent regulatory authority may determine to be the maximum fee payable or such lesser sum as the Board may determine for every certificate issued or cancelled or such other sum as the Board shall from time to time determine. The Company shall also retain the instrument of transfer.

46. The registration of transfers may, on giving notice by advertisement in an appointed newspaper in Bermuda and in one or more newspapers circulating in the Relevant Territory, be suspended and the register closed at such times and for such periods as the Board may from time to time determine either generally or in respect of any class of shares. The register shall not be closed for more than 30 days in any year.

Transmission of Shares

47. 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.
48. 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.
49. 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 at (unless the Board otherwise agrees) the Registration Office, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these presents relating to the right of transfer and the registration of transfers of share shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.
50. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 86 being met, such a person may vote at meetings.

Forfeiture of Shares

51. 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 Bye-law 34, 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 and any expenses incurred by reason of the said non-payment.
52. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the 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.
53. 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 Bye-laws to forfeiture shall include surrender.
54. Until cancelled in accordance with the Companies Act, any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.
55. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, 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 twenty 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 Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that 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.

56. A statutory declaration in writing that the deponent is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, 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.
57. 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 in any manner invalidated by any omission or neglect to give such notice or make any such entry.
58. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
59. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
60. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
61. 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.

Stock

62. The Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class into stock any shares of that class which subsequently become fully paid up and rank pari passu in all other respects with such shares shall, by virtue of this Bye-law and such resolution, be converted into stock transferable in the same units as the shares already converted.

63. The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Board may from time to time, if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.
64. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.
65. Such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words “share” and “shareholder” therein shall include “stock” and “stockholder”.

Alteration of Capital

66. (A) The Company may from time to time by ordinary resolution:–
- (i) increase its share capital by new shares of such amount as it thinks expedient;
 - (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may, as between the holders of the shares to be consolidated, determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company’s benefit;
 - (iii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;

- (iv) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
 - (v) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Statutes, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares;
 - (vi) make provision for the issue and allotment of shares which do not carry any voting rights provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”; and
 - (vii) change the currency denomination of its share capital.
- (B) The Company may by special resolution reduce its share capital, any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by law.

General Meetings

67. Subject to the Companies Act, the Company must in each financial year, hold a general meeting as its annual general meeting in addition to any other general meeting in that financial year and shall specify the meeting as such in the notice calling it; and such annual general meeting must be held within six months after the end of the Company’s financial year (unless a longer period would not infringe the Listing Rules, if any) at such time and place as may be determined by the Board. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. App. 3
14(1)
68. All general meetings other than annual general meetings shall be called special general meetings.

69. General meetings (including special general meetings) may be held in the Relevant Territory or elsewhere in the world as may be determined by the Board. Notwithstanding any provisions in these Bye-laws, any general meeting or any class meeting may be held by means of such telephone, electronic communication or other communication facilities as to permit all persons participating in the meeting to communicate with each other, and participation in such a meeting shall constitute presence at such meeting. Unless otherwise determined by the Directors, the manner of convening and the proceedings at a general meeting set out in these Bye-laws shall, *mutatis mutandis*, apply to a general meeting held wholly by or in-combination with electronic means.
70. The Board may, whenever it thinks fit, call a special general meeting, and one or more shareholders holding at the date of deposit of the requisition not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may convene such meeting in accordance with the provisions of Section 74(3) of the Companies Act. App. 3
14(5)
71. An annual general meeting shall be called by 21 clear days' notice in writing at the least, and all other general meetings of the Company (including a special general meeting) shall be called by at least 14 clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-laws, entitled to receive such notices from the Company, provided that subject to the provisions of the Statutes, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-law be deemed to have been duly called if it is so agreed:— App. 3
14(2)
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
 - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. of the total voting rights at the meeting of all the members of the Company.

72. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive 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.

Proceedings at General Meetings

73. All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting with the exception of:–
- (i) sanctioning dividends;
 - (ii) the laying, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
 - (iii) the fixing of a maximum number of directors, the election of Directors and other officers in the place of those retiring, whether by rotation or otherwise, and the granting of authority to the Directors to appoint additional Directors up to the maximum number determined by the members;
 - (iv) the appointment of Auditors and the fixing of the remuneration of the Auditors; and
 - (v) the voting of remuneration or extra remuneration to the Board.
74. For all purposes the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or proxy. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the meeting.
75. If within 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 as shall be decided by the Board. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the meeting shall be dissolved.

76. The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman is present within 15 minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Board present shall choose one of their number as Chairman, and if no Director be present, or if all the Board present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman.
77. The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of any 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.
78. At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll 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 provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its members; and (ii) relate to the Chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all members a reasonable opportunity to express their views. Where a show of hands is allowed, a poll may be demanded:—
- (i) by the Chairman of the meeting or any Director; or
 - (ii) by at least three 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

- (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 one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

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

- 79. If a poll is demanded as aforesaid, it shall (subject as provided in Bye-law 80) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.
- 80. 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.
- 81. 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 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.
- 82. 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.

83. (A) Subject to the Companies Act, a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Bye-law. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.
- (B) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 116 or for purposes relating to the removal and appointment of the Auditor.

Votes of Members

84. An amalgamation agreement as referred to in section 106 of the Companies Act shall be submitted for approval of the members of the Company in accordance with the Statutes.
85. (A) Subject Bye-law 89 C and 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 Section 78 of the Companies Act or by proxy shall have one vote, and on a poll every member present in person, or (being a corporation) by duly authorised representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Bye-law as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Notwithstanding anything contained in these Bye-laws, 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.
- (B) All members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

App. 3
14(3)

86. Any person entitled under Bye-law 48 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours 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 right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
87. 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 By-law be deemed joint holders thereof.
88. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Bye-laws for the deposit of instruments or proxy, not later than the last time at which a valid instrument or proxy could be so delivered.
89. (A) Save as expressly provided in these Bye-laws, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.
- (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, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.

- (C) Where any shareholder 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 shareholder in contravention of such requirement or restriction shall not be counted. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive. App. 3
14(4)
90. (A) Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a meeting of the Company or a meeting of the holders of any class of shares in the Company. A proxy shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy or proxies representing either an individual member or a member which is a corporation shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. App. 3
18
- (B) A proxy need not be a member of the Company. App. 3
18
91. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. App. 3
18
92. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as may be specified for that purpose in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is so specified at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 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 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.

93. 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.
94. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy 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 special general meeting or at an annual general meeting at which special business (determined as provided in Bye-law 73) 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 special business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
95. A vote given 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 death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Registration Office, or at such other place as is specified in accordance with Bye-law 92, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
96. (A) Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members. The person so authorized shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member and such corporation shall for the purpose of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- (B) Where a member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members provided that, if more than one proxy or, corporate representative is so appointed, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including the right to speak and to vote individually on a show of hands.

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

Untraced Members

97. (A) The Company shall be entitled to sell any share of a member, or any share to which a person is entitled by transmission, if and provided that:
- (i) during the period of 12 years prior to the date of the publication of the advertisements referred to in sub-paragraph (ii) below (or, if published on different dates, the earlier thereof) no cheque, order or warrant in respect of such share sent by the Company through the post in a pre-paid envelope addressed to the member or to the person entitled by transmission to the share, at his address on the register or other last known address given by the member or person to which cheques, orders or warrants in respect of such share are to be sent has been cashed and the Company has received no communications in respect of such share from such member or person, provided that during such period of 12 years the Company has paid at least three dividends (whether interim or final) and no dividend in respect of such share has been claimed by the person entitled to it;
 - (ii) on expiry of the said period of 12 years the Company has given notice of its intention to sell such share by advertisement appearing in English in one leading English language daily newspaper and (if the Relevant Territory is Hong Kong) in Chinese in one leading Chinese language daily newspaper circulating in the Relevant Territory and to The Stock Exchange of Hong Kong Limited;
 - (iii) the said advertisements, if not published on the same day, shall have been published within 30 days of each other;
 - (iv) during the further period of three months following the date of publication of the said advertisements (or, if published on different dates, the later thereof) and prior to the exercise of the power of sale the Company has not received any communication in respect of such share from the member or person entitled by transmission; and
 - (v) if shares of the class concerned are listed or dealt in on any stock exchange, the Company has given notice to that exchange of its intention to make such sale.

- (B) The manner, timing and terms of any sale of shares pursuant to this Bye-law (including but not limited to the price or prices at which the same is made) shall be such as the Board determines, based upon advice from such bankers, brokers or other persons as the Board considers appropriate consulted by it for the purposes, to be reasonably practicable having regard to all the circumstances including the number of shares to be disposed of and the requirement that the disposal be made without delay; and the Board shall not be liable to any person for any of the consequences of reliance on such advice.
- (C) To give effect to any sale of shares pursuant to this Bye-law the Board may authorise some person to transfer the shares in question and may enter the name of the transferee in respect of the transferred shares in the register notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee and an instrument of transfer executed by that person shall be as effective as if it had been executed by the holder of, or person entitled by transmission to, the shares. The purchaser shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- (D) If during the period of 12 years referred to in paragraph (A) of this Bye-law, or during any period ending on the date when all the requirements of sub-paragraphs (i) to (iv) of paragraph (A) of this Bye-law have been satisfied, any additional shares have been issued in respect of those held at the beginning of, or previously so issued during, any such period and all the requirements of sub-paragraphs (ii) to (iv) of paragraph (A) of this Bye-law have been satisfied in regard to such additional shares, the Company shall also be entitled to sell the additional shares.
- (E) The Company shall account to the member or other person entitled to such share for the net proceeds of such sale by carrying all moneys in respect thereof to a separate account. The Company shall be deemed to be a debtor to, and not a trustee for, such member or other person in respect to such moneys. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments as the Board may from time to time think fit. No interest shall be payable to such member or other person in respect of such moneys and the Company shall not be required to account for any money earned on them.

Registered Office

98. The registered office of the Company shall be at such place in Bermuda as the Board shall from time to time appoint.

Board of Directors

99. The number of Directors shall not be less than two. The Board shall cause to be kept at its registered office a register of the Directors and Officers, in accordance with the Statutes.
100. Neither a Director nor an alternate Director shall be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and at all meetings of any class of members of the Company.
101. 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, subject to the Statutes and to Bye-law 113, as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. ^{App. 3}
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102. A Director may at any time, by notice in writing signed by him delivered to the Head Office or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
103. (A) An alternate Director shall (except when absent from the territory in which the Head Office is for the time being situate) 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 presents 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 the territory in which the Head Office is for the time being situate or otherwise not available or unable to act, his signature to any resolution in writing of the Directors 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 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 Bye-laws. No alternate Director shall by virtue of that position be a director for the purposes of the Statutes, but shall nevertheless be subject to the provisions of the Statutes in so far as they relate to the duties and obligations of directors when performing the functions of a director for whom he is appointed in the alternative.

- (B) 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.
104. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting or the board, if authorized to do so by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.
105. 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 on the business of the Company or in the discharge of their duties as Directors.
106. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.
107. (A) Notwithstanding Bye-laws 104, 105 and 106, the remuneration of a chairman, deputy chairman, managing director, joint managing director, deputy managing director or other 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. Such remuneration shall be in addition to his remuneration as a Director.

- (B) Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.
108. (A) A Director shall vacate his office:–
- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
 - (ii) if he becomes a lunatic or of unsound mind;
 - (iii) if he absents himself from the meetings of the Board during a continuous period of six 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 ceases to be a Director by virtue of any provision of the Companies Act or if he becomes prohibited by law from acting as a Director;
 - (v) if by notice in writing delivered to the Company at its registered office or at the Head Office he resigns his office;
 - (vi) if he shall be disqualified from office by notice in writing served upon him signed by all his fellow Directors; or
 - (vii) if he shall be removed from office by an ordinary resolution of the Company under Bye-law 116.
- (B) No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.
109. (A) 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 Bye-law.

- (B) (i) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.
- (ii) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or his close associates is materially interested, and if he shall do so his vote shall not be counted (nor is he counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely: Ch.13.44
- (a) the giving of any security or indemnity either:–
- (i) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
- (ii) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (c) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:–
 - (i) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
 - (ii) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (d) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (iii) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or any of his close associates 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 to 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 concerned or his close associates 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 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 or his close associates as known to such chairman has not been fairly disclosed to the Board.

- (iv) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be appointed a director, managing director, joint managing director, deputy managing director, executive-director, manager or other officer of such a company, and that as such he is interested in the exercise of such voting rights in the manner aforesaid. A Director may not vote in favour of the exercise of the aforesaid voting rights in respect of his own appointment or that of his close associate(s) as an officer of the company in question although he may be counted in the quorum at the relevant meeting of the Board.
- (v) A general notice to the Board by a Director that he or his close associate(s) is/are a member of a specified firm or corporation and is/are to be regarded as interested in any contract or arrangement which may be made with that firm or corporation after the date of such notice or that he/they is/are to be regarded as interested in any contract or arrangement which may be made with a specified person who is connected with him/them after the date of such notice shall be deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be effect of unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.
- (C) A Director of the Company may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (D) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

Retirement of Directors

110. (A) At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. In addition, every Director shall retire from office no later than the third annual general meeting after he was last elected or re-elected or ceased to be a Director (either by resignation, retirement, removal or otherwise) and been re-elected by a general meeting at or since either such annual general meeting, notwithstanding any other provisions in the Bye-laws. A Director retiring at a meeting shall retain office until the close of the meeting at which he retires and the retiring Directors shall be eligible for re-election. App.14
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- (B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.
111. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall continue to be eligible for re-election unless:—
- (i) it shall be determined at such meeting to reduce the number of Directors; or
 - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
 - (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost;
or
 - (iv) such Director has given notice in writing to the Company that he is unwilling to be re-elected.
112. The Company shall from time to time fix and may from time to time in general meeting by ordinary resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.
113. The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a vacancy or to act as an additional Director or authorise the Board to elect and appoint any person as an additional Director, in each case, up to the maximum number of Directors determined by the members in general meeting.

114. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless an ordinary resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.
115. 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 delivered to the Company at the registered office or Registration Office and the period for lodgment of such notices shall commence on (and include) the day immediately after the dispatch of the notice of the general meeting appointed for such election and end on (and exclude) the date that is seven (7) days before the date of such general meeting. Ch.13.70
116. The Company may by ordinary resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may elect another person in his stead provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director 14 days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal. Any person so elected shall hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled. App. 3
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Borrowing Powers

117. The Board may from time to time at its discretion exercise, all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.
118. 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.
119. 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.

120. Any debentures, debenture stock, bonds or other securities (except shares) may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
121. (A) The Board shall cause a proper register to be kept of all mortgages and charges specifically affecting the property of the Company.
- (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.
122. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charges, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

Officers

123. The Board shall elect from their number a chairman and deputy chairman and the Board may also from time to time appoint any one or more of its body to the office of managing director, joint managing director, deputy managing director or other executive director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Bye-law 107.
124. Every Director appointed to an office under Bye-law 123 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company, be liable to be dismissed or removed therefrom by the Board.
125. A Director appointed to an office under Bye-law 123 shall be subject to the same provisions as to retirement, resignation and removal as the other directors of the Company (subject to the proviso to Bye-law 110(A)), and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
126. The Board may from time to time entrust to and confer upon a chairman, deputy chairman, managing director, joint managing director, deputy managing director or executive director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

Management

127. (A) Subject to any exercise by the Board of the powers conferred by Bye-laws 128 to 130, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Bye-laws expressly conferred upon it, 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 Statutes expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Statutes and of these Bye-laws and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Bye laws, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (B) Without prejudice to the general powers conferred by these Bye-laws, it is hereby expressly declared that the Board shall have the following powers:—
- (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and
 - (ii) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
- (C) Without prejudice to the general powers conferred by these Bye-laws if any of the shares or debentures of the Company are for the time being (with the consent of the Company) listed on a stock exchange in Hong Kong the voluntary payment to any director of any sum by way of compensation in connection with his ceasing to hold such office must be approved by the Company in general meeting.

Managers

128. The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participate 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.
129. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as they may think fit.

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

Chairman

131. The Board shall elect or otherwise appoint a Director to be Chairman, and a Director to be Deputy Chairman, and shall have power to determine the period for which the Chairman or, as the case may be, Deputy Chairman is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of such meeting.

Proceedings of the Board

132. The Board 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 Directors shall be a quorum. For the purpose of this Bye-law an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously or instantaneously, and participation in such a meeting shall constitute presence at such a meeting.
133. A Director may and, on the request of a Director, the Secretary shall, at any time summon a meeting of the Board which may be held in any part of the world provided that no such meeting shall be summoned to be held outside the territory in which the Head Office is for the time being situate without the prior approval of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from such territory. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.
134. 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 shall have a second or casting vote.

135. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Bye-laws for the time being vested in or exercisable by the Board generally.
136. The Board may delegate any of its powers to committees consisting of such member or members of their body and such other persons, as the Board think fit, and they may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
137. 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 to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
138. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Bye-law 136.
139. All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.
140. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Bye-laws as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.
141. A resolution in writing signed by all the Directors except such as are absent from the territory in which the Head Office for the time being situate or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Bye-law 132) be as valid and effectual as if it had been passed at a meeting 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.

Minutes

142. (A) The Board shall cause minutes to be made of:–
- (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Bye-law 136; and
 - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Secretary

143. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Statutes or these Bye-laws required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board.
144. The duties of the Secretary shall be those prescribed by the Statutes and these Bye-laws (including, but not limited to attendance at all meetings of the members and the Directors, keeping minutes of such meeting and entering the same in the books provided for such purpose), together with such other duties as may from time to time be prescribed by the Board.
145. A provision of the Statutes or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

General Management and Use of the Seal

146. (A) The Company shall have one or more seals as the Board may determine. The Company may adopt one or more common seals for use in any territory outside Bermuda. The Board shall provide for the safe custody of each seal, and no seal shall be used without the authority of the Board or committee of the Board authorised by the Board in that behalf.
- (B) Every instrument to which a seal shall be affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board may appoint 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 a seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares, warrants 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 Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.
- (C) The Company may have a duplicate or securities seal for use for sealing certificates for shares or other securities issued by the Company (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificate or other document to which such duplicate seal is affixed and such certificates or other document shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid). Wherever in these Bye-laws reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate or securities seal as aforesaid.
147. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

148. (A) The Board may from time to time and at any time, by power of attorney under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- (B) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company.
149. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and 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.

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

Capitalisation of Reserves

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

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

152. Subject to the Statutes:–

(A) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:–

- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the “Subscription Right Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the difference between the subscription price and the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;
- (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account have been used and will then only be used to make good losses of the Company if and so far as is required by law;

- (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:
- (a) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
 - (b) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,

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

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, contributed surplus account and share premium account for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

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

Dividends, Other Distributions and Reserves

- 153. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.
- 154. (A) The Board may from time to time pay or make to the members such interim dividends and other distributions (including distributions out of contributed surplus) as the Board thinks fit and such dividends and distributions shall not be limited in any way save by the Statutes. 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.

- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
155. (A) No dividend shall be declared or paid and no distribution be made otherwise than in accordance with the Statutes. No dividend or other distribution shall carry interest.
- (B) Subject to paragraph (C) of this Bye-law, all dividends and other distributions in respect of shares in the Company shall be stated and discharged, in the case of shares denominated in Hong Kong dollars, in Hong Kong dollars, and, in the case of shares denominated in any other currency, in that currency, provided that, in the case of shares denominated in Hong Kong dollars, the Board may determine in the case of any distribution that shareholders may elect to receive the same in United States dollars or any other currency selected by the Board, conversion to be effected at such rate of exchange as the Board may determine.
- (C) If, in the opinion of the Board, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder then such dividend or other distribution or other payment may, at the discretion of the Board, be paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the register).
156. Notice of the declaration of an interim dividend shall be given by advertisement in the Relevant Territory and in such other territory or territories as the Board may determine and in such manner as the Board shall determine.
157. Whenever the Board or the Company in general meeting has resolved that a dividend or other distribution be paid, made or declared, the Board may further resolve that such dividend or other distribution be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe for securities of 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 payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. The Board may resolve that no such assets shall be made available to shareholders with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might,

in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of the foregoing sentence shall not be or be deemed to be, a separate class of shareholders for any purpose whatsoever.

158. (A) In respect of any dividend which the Board has resolved to pay or any dividend declared or sanctioned or proposed to be declared or sanctioned by the Board or by the Company in general meeting, the Board may determine and announce, prior to or contemporaneously with the announcement, declaration or sanction of the dividend in question:

either

- (i) that shareholders entitled thereto will receive in lieu of such dividend (or such part thereof as the Board may think fit) an allotment of shares credited as fully paid provided that the shareholders are at the same time accorded the right to elect to receive such dividend (or part thereof as the case may be) in cash in lieu of such allotment. In such case, the following provisions shall apply:—
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment and notwithstanding that the number of shares to be allotted may not be calculated until after notice to the shareholders has been given as required by the provisions of this sub-paragraph and subject to the provision of sub-paragraph (d) below, shall give notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective which shall be not less than two weeks from the date on which the notice above referred to was despatched to the shareholders;
 - (c) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;

- (d) the Board may resolve:
- (I) that the right of election accorded to shareholders as aforesaid may be exercised so as to take effect on all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (i) of this paragraph (A); and/or
 - (II) that a shareholder who does not exercise the right of election accorded to him as aforesaid either in whole or in part may notify the Company that he will not exercise the right of election accorded to him in respect of all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (i) of paragraph (A) of this Bye-law.

Provided that a shareholder may exercise such election or give such notice in respect of all but not some of the shares held by him and may at any time give seven days notice in writing to the Company of the revocation of such an election or such a notice which revocation shall take effect at the expiry of such seven days, and until such revocation has taken effect, the Board shall not be obliged to give to such shareholder notice of the right of election accorded to him or send to him any form of election;

- (e) the dividend (or that part of the dividend in lieu of which an allotment of shares is to be made 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 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 the amount standing to the credit of share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Board may determine, a sum equal to the aggregate nominal amount of shares to be allotted on such basis and apply the same in paying up in full the appropriate number of unissued share for allotment and distribution to and amongst the holders of the Non-Elected Shares on such basis;

- (f) the Board may resolve that the shares to be allotted shall be allotted at a premium provided that the premium is credited as fully paid up and in such case the Board shall in addition to the amount to be capitalised and applied pursuant to sub-paragraph (e) above, and for the purposes therein set out, capitalise and apply out of the amount standing to the credit of the share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Directors may determine, a sum equal to the aggregate amount of the premium on the shares to be allotted and shall apply the same together with the sum to be applied pursuant to sub-paragraph (e) above and on the basis therein set out 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;

or

- (ii) that 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:
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment and notwithstanding that the number of shares to be allotted may not be calculated until after notice to the shareholders has been given as required by the provisions of this sub-paragraph and subject to the provision of sub-paragraph (d) below, shall give notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective which shall be not less than two weeks from the date on which the notice above referred to was despatched to the shareholders;
 - (c) the right of election accorded to shareholders as aforesaid may be exercised in whole or in part;
 - (d) the Board may resolve:
 - (I) that the right of election accorded to shareholders as aforesaid may be exercised so as to take effect on all future occasions (if any) when the Board makes a determination pursuant to sub-paragraph (ii) of this paragraph (A); and/or

- (II) that a shareholder who does not exercise the right of election accorded to him as aforesaid either in whole or in part may notify the Company that he will not exercise the right of election accorded to him in respect of all future occasions (if any) when the Board makes determination pursuant to sub-paragraph (ii) of paragraph (A).

Provided that a shareholder may exercise such election or give such notice in respect of all but not some of the shares held by him and may at any time give seven days notice in writing to the Company of the revocation of such an election or such a notice which revocation shall take effect at the expiry of such seven days, and until such revocation has taken effect, the Board shall not be obliged to give to such member notice of the right of election accorded to him or send to him any form of election;

- (e) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (the "Elected Shares") and in lieu thereof shares shall be allotted credited as fully paid 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 the amount standing to the credit of share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Board may determine, a sum equal to the aggregate nominal amount of shares to be allotted on such basis 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;
- (f) the Board may resolve that the shares to be allotted shall be allotted at a premium provided that the premium is credited as fully paid up and in such case the Board shall in addition to the amount to be capitalized and applied pursuant to sub-paragraph (e) above, and for the purpose therein set out, capitalise and apply out of the amount standing to the credit of the share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or other special account) as the Board may determine, a sum equal to the aggregate amount of the premium on the shares to be allotted and shall apply the same together with the sum to be applied pursuant to sub-paragraph (e) above and on the basis therein set out in paying up in full the appropriate number of unissued shares for allotment and distribution to and amongst the holders of the Elected Shares.

- (B) The shares allotted pursuant to the provisions of paragraph (A) of this Bye-law shall rank pari passu in all respects with the fully paid shares then in issue save only as regards participation:–
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

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

- (C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Bye-law with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the 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 Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

- (E) The Board may on any occasion when it makes a determination pursuant to paragraph (A) of this Bye-law, resolve that no allotment of shares or rights of election for shares to be issued pursuant to such determination shall be made available or made to any shareholders with registered address in any particular territory or territories or to a Depository where the allotment of shares or the circulation of an offer of such rights of election would or might, in the opinion of the Board, be unlawful or would or might, in the opinion of the Board, be unlawful in the absence of a registration statement or other special formalities, and in such event the provision aforesaid shall be read and construed subject to such resolution and the only entitlement of shareholders in any such territory or territories shall be to receive in cash the relevant dividend resolved to be paid or declared. “Depository” means a custodian or other person (or a nominee for such custodian or other person) appointed under contractual arrangements with the Company or other arrangements approved by the Board whereby such custodian or other person or nominee holds or is interested in shares of the Company or rights or interests in shares of the Company and issues securities or other documents of title or otherwise evidencing the entitlement of the holder thereof to or to receive such shares, rights or interests, provided and to the extent that such arrangements have been approved by the Board for the purpose of these Bye-Laws and shall include, where approved by the Board, the trustees (acting in their capacity as such) of any employees’ share scheme established by the Company or any other scheme or arrangements principally for the benefit of employees of the Company and/or its subsidiaries which have been approved by the Board.
- (F) The Board may at any time resolve to cancel all (but not some only) of the elections made and the notices given by the shareholders pursuant to sub-paragraphs (i)(d) and (ii)(d) of paragraph (A) of this Bye-law by giving seven days notice in writing to the relevant shareholders.
- (G) The Board may on any occasion determine that rights of election under paragraph (A) of this Bye-law 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 and in such event the provisions aforesaid shall be read and construed subject to such determination.

159. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.
160. 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 Bye-law as paid up on the share.
161. (A) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (B) The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) from time to time payable by him to the Company on account of calls, instalments or otherwise.
162. 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 shall 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.
163. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
164. 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.

165. 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 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.
166. (A) 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. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.
- (B) If any cheques, warrants or orders for dividends or other moneys payable in respect of a share sent by the Company to the person entitled thereto are left uncashed on two consecutive occasions or on one occasion if such cheque, warrant or order is returned to the Company undelivered, the Company shall not be obliged to send any dividends or other moneys payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.
167. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members.

Distribution of Realised Capital Profits

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

Returns

169. The Board shall make the requisite returns and annual declarations in accordance with the Statutes.

Accounts

170. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Statutes or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.
171. The books of account shall be kept at the Head Office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors provided that such records as are required by the Statutes shall also be kept at the registered office.
172. 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 accounts and books 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 account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Board or by the Company in general meeting.

173. (A) Subject to Section 88 of the Companies Act and paragraph (B) of this Bye-law, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed there to, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled hereto at least twenty-one (21) days before the date of the general meeting and laid before the Company in general meeting in accordance with the requirements of the Companies Act provided that this Bye-law shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares or debentures.
- (B) To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the stock exchange in the Relevant Territory and/or any competent regulatory authority, and to obtaining all necessary consents, if any, required thereunder, the requirements of paragraph (A) of this Bye-law shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon any, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statements and the directors' report thereon.
- (C) The requirement to send to a person referred to in paragraph (A) of this Bye-law the documents referred to in that provision or a summary financial report in accordance with paragraph (B) of this Bye-law shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the stock exchange in the Relevant Territory and/or any competent regulatory authority, the Company publishes copies of the documents referred to in paragraph (A) of this Bye-law and, if applicable, a summary financial report complying with paragraph (B) of this Bye-law, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

Audit

174. (A) Subject to Section 88 of the Companies Act, at the annual general meeting or at a subsequent special general meeting in each year, the members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the members appoint another auditor. Such auditor may be a member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company. App. 3
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- (B) Subject to Section 89 of the Companies Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.
- (C) The members may, at any general meeting convened and held in accordance with these Bye-laws, by extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term. App. 3
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175. Subject to Section 88 of the Companies Act the accounts of the Company shall be audited at least once in every year.
176. The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the members may determine by ordinary resolution. App. 3
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Notices

177. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene a special general meeting to fill the vacancy.
178. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

179. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.
180. Any notice or document in writing (including any “corporate communication” within the meaning ascribed thereto under the rules of the stock exchange in Hong Kong), whether or not, to be given or issued under these Bye-laws from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by that member to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by that member to the Company for the giving of notice to that member or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly receive by the member or may also be served by advertisement in appointed newspapers (as defined in the Companies Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirement of the stock exchange in Hong Kong or, to the extent permitted by the applicable laws, by placing it on the Company’s website and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share all notice shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

181. Any notice or other document:
- (i) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
 - (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member;
 - (iii) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and
 - (iv) may be given to a member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.
182. A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
183. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.

184. Any notice or document delivered or sent by post to, or left at the registered address of any member 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 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.

Information

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

Winding Up

186. A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution. App. 3
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187. 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 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 all subject to the rights of any shares which may be issued on special terms or conditions.
188. If the Company shall be wound up (whether the liquidation is voluntary, or by the court) the liquidator may, with the sanction of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

Indemnity

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

Alteration of Bye-laws

190. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Board and confirmed by a special resolution of the members. ^{App. 3}
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NOTICE OF ANNUAL GENERAL MEETING



ELEGANCE OPTICAL INTERNATIONAL HOLDINGS LIMITED

高雅光學國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 907)

NOTICE IS HEREBY GIVEN that the annual general meeting of Elegance Optical International Holdings Limited (the “**Company**”) will be held at Portion 2, 12th Floor, The Center, 99 Queen’s Road Central, Hong Kong on Thursday, 31 August 2023 at 10:00 a.m. to transact the following businesses:

AS ORDINARY BUSINESSES:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 March 2023.
2. To re-elect Mr. Chung Yuk Lun as an executive director of the Company.
3. To re-elect Mr. Hui Man Ho, Ivan as an independent non-executive director of the Company.
4. To authorise the board of directors of the Company (the “**Board**” or “**Directors**”) to fix the remuneration of the directors of the Company.
5. To re-appoint CCTH CPA Limited as auditors and authorise the Board to fix their remuneration.

AS SPECIAL BUSINESSES:

To consider and, if thought fit, pass the following resolutions, which will be proposed as ordinary resolutions of the Company:

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal in additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (C) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (A) and (B) of this resolution above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription rights attached to the warrants which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the bye-laws of the Company or a specific authority granted or to be granted by the shareholders of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the close of business on the date on which this resolution is passed; and
- (D) for the purposes of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the applicable laws of Bermuda to be held; or
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares or issue of options, warrants or other securities carrying rights to convert into or subscribe for shares of the Company open for a period fixed by the Directors to holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors 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).”

7. **“THAT:**

- (A) subject to paragraph (C) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own issued shares on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure or authorise repurchases of shares of the Company by itself or agents or nominees on behalf of the Company or its subsidiary, as the case may be, at a price and on such terms as determined by the Directors and to make, grant or enter into offers, agreements and other arrangements which might require the exercise of such powers during or after the end of the Relevant Period, in all circumstances in accordance with the applicable laws and regulations in Hong Kong;
- (C) the total number of shares of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (A) of this resolution above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the time of passing this resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(D) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or the applicable laws of Bermuda to be held; or
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
8. “**THAT** conditional upon the passing of ordinary resolutions no. 6 and 7 set out above, the total number of shares of the Company which are repurchased by the Company pursuant to and in accordance with the said ordinary resolution no. 7 shall be added to the total number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the ordinary resolution no. 6, provided that such extended number of shares shall not exceed 10% of the total number of issued shares of the Company as at the close of business on the date on which ordinary resolution no. 7 is passed.”

SPECIAL RESOLUTION

As special business, to consider and, if thought fit, pass the following resolution as a special resolution:

9. “**THAT** the amended and restated bye-laws (the “**New Bye-laws**”) (a copy of which has been produced to this meeting and marked “A” and initialed by the chairman of this meeting for the purpose of identification) be and is hereby approved and adopted as the bye-laws of the Company in substitution for, and to the exclusion of, the existing bye-laws of the Company with immediate effect AND THAT any one Director or officer of the Company be authorised to do all such acts and things necessary to implement the adoption of the New Bye-laws.”

By Order of the Board
Elegance Optical International Holdings Limited
Chung Yuk Lun
Executive Director

Hong Kong, 31 July 2023

NOTICE OF ANNUAL GENERAL MEETING

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Room 22, 22/F
On Hong Commercial Building
145 Hennessy Road
Wan Chai
Hong Kong

Notes:

- (i) Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in this Notice will be decided by poll at the AGM. Where the Chairperson/Chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted, such resolution will be decided by show of hands.
- (ii) A member of the Company entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies (if he/she is a holder of more than one share) to attend and vote in his/her stead. A proxy need not be a member of the Company.
- (iii) In order to be valid, the form of proxy must be in writing under the hand of the appointor or his/her attorney duly authorized in writing, or if the appointor is a corporation, either under its common seal, or under the hand of an officer or attorney duly authorized on that behalf, and must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, not less than 48 hours before the time for holding the AGM or adjourned meeting.
- (iv) Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding of such share.
- (v) Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the AGM and in such event, the form of proxy previously submitted shall be deemed to be revoked.
- (vi) The register of members of the Company will be closed from Monday, 28 August 2023 to Thursday, 31 August 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the right to attend and vote at the AGM, all relevant certificates and properly completed transfer forms must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at the address stated in (iii) above before 4:00 p.m. on Friday, 25 August 2023.
- (vii) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.