

COMPANY INFORMATION SHEET

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Company name (stock code): Xinyi Energy Holdings Limited (3868)

Stock short name: XINYI ENERGY

This information sheet is provided for the purpose of giving information to the public about Xinyi Energy Holdings Limited (the “**Company**”) as at the date hereof. It does not purport to be a complete summary of the information relevant to the Company and/or its securities.

Unless the context requires otherwise, capitalized terms used herein shall have the meanings given to them in the Company’s prospectus (“**Prospectus**”) dated May 15, 2019 and, if any, references to sections of the Prospectus shall be construed accordingly.

Responsibility statement

The directors of the Company as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief the information is accurate and complete in all material respects and not misleading or deceptive and that there are no other matters the omission of which would make any information inaccurate or misleading.

The directors of the Company also collectively and individually undertake to publish this information sheet on a yearly basis, when the Company publishes its annual report, this information sheet reflecting the changes made to the last publication.

Summary Content

Document type	Upload date
A. Summary of waiver	
Latest version	May 27, 2019
B. Summary of foreign laws and regulations	
Latest version	May 27, 2019
C. Summary of our Memorandum and Articles of Association	
Latest version	May 27, 2019
D. Memorandum and Articles of Association	
Latest version	May 27, 2019

Date of this information sheet: May 27, 2019

A. SUMMARY OF WAIVER

The following material waiver has been applied for and granted by the Stock Exchange:

WAIVER IN RELATION TO THE SOLAR FARM O&M AGREEMENT

Pursuant to Chapter 14A of the Listing Rules, continuing connected transactions on normal commercial terms or better where each or all of the percentage ratios (other than the profits ratio) set forth in Rule 14.07 of the Listing Rules) is/are more than 0.1% and not more than 5% on an annual basis are subject to the announcement and annual review requirements as set forth in Rules 14A.35 of the Listing Rules and Rules 14A.55 to 14A.59 of the Listing Rules, and annual reporting requirements as set forth in Rule 14A.49, but such continuing connected transactions are exempt from the circular requirements as set forth in Rules 14A.46 to 14A.48 of the Listing Rules and the shareholders' approval requirements as set forth in Rules 14A.36 to 14A.45 of the Listing Rules.

Our Company has entered into the Solar Farm O&M Agreement, and the transactions contemplated thereunder will constitute non-exempt continuing connected transactions (as defined in the Listing Rules) for our Company following the Listing. For details on the Solar Farm O&M Agreement, see the section headed "Connected Transactions — Non-exempt continuing connected transactions — Solar Farm O&M Agreement" in this prospectus. The Solar Farm O&M Agreement has an initial term of three (3) years commencing from the Listing Date and ending on December 31, 2021, subject to full compliance with the applicable requirements under the Listing Rules and will be renewable for another three (3) years, so long as Xinyi Solar is one of our Controlling Shareholders. If Xinyi Solar ceases to be one of our Controlling Shareholders during the initial term of the Solar Farm O&M Agreement, the Solar Farm O&M Agreement may be terminated by either party with six (6) months' prior written notice.

Our Directors expect that the amount of annual service fee received by us during the term of the Solar Farm O&M Agreement would be more than 0.1% and not more than 5.0% of all applicable percentage ratios set forth in Chapter 14 of the Listing Rules. As such, the transactions would be exempt from the Shareholders' approval requirement under the Listing Rules.

Accordingly, our Company has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to our Company, a waiver under Rule 14A.105 of the Listing Rules from strict compliance with the announcement requirements in respect of such non-exempt continuing connected transactions for such period of time up to 31 December 2021. Our Company will apply for a further waiver from the Hong Kong Stock Exchange in advance of the expiry date of the waiver or otherwise comply with the applicable disclosure requirements under the Listing Rules.

Our Directors consider that strict compliance with the requirements under the Listing Rules in respect of the Solar Farm O&M Agreement is unduly burdensome to us, taking into consideration the nature of the solar farm operation and maintenance services required, the business and operation needs, and the potential disruption to operations of the solar farm projects which would be subject to the Solar Farm Call Option and Solar Farm ROFR. Our Directors further confirm that the Solar Farm O&M Agreement has been entered into in a manner with such terms and conditions which are generally consistent with the industry practice and established approach of similar contractual terms and conditions; and the Solar Farm O&M Agreement is negotiated on an arm's length basis upon normal commercial terms or better and entered into as part of our ordinary course of business.

Our Directors (including our independent non-executive Directors) are of the view and the Sole Sponsor concurs that the Solar Farm O&M Agreement, as well as the proposed annual caps for the service fees under the Solar Farm O&M Agreement of RMB7.2 million for 2019, RMB12 million for 2020, and RMB15 million for 2021, are entered into during our ordinary and usual course of business on normal commercial terms or better, are fair and reasonable so far as the independent Shareholders are concerned, and are in the interests of our Company and our Shareholders as a whole.

Further details of the continuing connected transactions we have entered into, or will enter to, are set forth in the section headed "Connected Transactions" in this prospectus.

WAIVER AND CONSENT IN RESPECT OF ALLOCATION OF SHARES TO THE XYS NON-INDEPENDENT PARTICIPANTS (AS DEFINED BELOW) IN THE XY ASSURED OFFERING

Rule 10.03 of the Listing Rules provides that directors of a listing applicant and their close associates may only subscribe for or purchase securities for which listing is sought which are being marketed by or on behalf of the listing applicant if (a) no securities are offered to them on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (b) the minimum public float requirement under Rule 8.08(1) of the Listing Rules is fulfilled.

Rule 10.04 of the Listing Rules provides that an existing shareholder of a listing applicant may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of the listing applicant either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled.

The XYs Qualifying Shareholders who are entitled to participate in the XYs Assured Offering (see the section headed “Structure and Conditions of the Global Offering” in this prospectus for further information) include our Directors and/or their close associates and certain Controlling Shareholders (collectively, the “**XYs Non-Independent Participants**”). The XYs Non-Independent Participants are Dr. LEE Yin Yee, B.B.S. (our non-executive Director), and Mr. TUNG Ching Sai (our executive Director), and Mr. TUNG Ching Bor, Mr. LEE Shing Din, Mr. LI Man Yin, Mr. LI Ching Wai, Mr. LI Ching Leung, Mr. NG Ngan Ho, and Mr. SZE Ngan Sze (all of them are our Controlling Shareholders). The XYs Qualifying Shareholders’ Assured Entitlement is required under paragraph 3(f) of Practice Note 15 of the Listing Rules. In the absence of a written waiver and consent from the Hong Kong Stock Exchange, participation by the XYs Non-Independent Participants, who are XYs Qualifying Shareholders, in the XYs Assured Offering would be prohibited by Rules 10.03 and 10.04 of the Listing Rules, respectively, and paragraph 5(2) of Appendix 6 to the Listing Rules which restricts share allocations to directors of a listing applicant or their close associates or an existing shareholder of a listing applicant, whether in their own names or through nominees, unless the conditions set forth in Rule 10.03 of the Listing Rules are fulfilled.

The YYS Reserved Shares offered to the YYS Non-Independent Participants, who are YYS Qualifying Shareholders, are made pursuant to the YYS Assured Offering and therefore the conditions set forth under Rule 10.03(1) of the Listing Rules could not be fulfilled. However, the YYS Non-Independent Participants will participate in the YYS Assured Offering in their capacity as YYS Qualifying Shareholders, but not in the capacity as Directors and/or their close associates and our Controlling Shareholders, upon the same terms as the other YYS Qualifying Shareholders. There will be no preferential treatment given to any of the YYS Non-Independent Participants in the allocation of the YYS Reserved Shares as compared to other YYS Qualifying Shareholders.

Our Company has applied to the Hong Kong Stock Exchange, and the Hong Kong Stock Exchange has granted to our Company, a waiver from strict compliance with Rules 10.03 and 10.04 of the Listing Rules and a consent under paragraph 5(2) of Appendix 6 to the Listing Rules for the inclusion of the YYS Non-Independent Participants, who are YYS Qualifying Shareholders, as the eligible participants under the YYS Assured Offering, subject to the conditions that:

- (a) no preferential allocation of the YYS Reserved Shares will be made to any of the YYS Non-Independent Participants in their capacity as YYS Qualifying Shareholders;
- (b) the YYS Non-Independent Participants in their capacity as YYS Qualifying Shareholders will not apply for such number of YYS Reserved Shares which is more than the total number of YYS Reserved Shares;
- (c) save as the YYS Assured Offering, none of the YYS Non-Independent Participants will participate or indicate any interest in the International Offering and the Hong Kong Public Offering;
- (d) the allocation of the YYS Reserved Shares will be on a pro rata basis amongst all YYS Qualifying Shareholders (who have applied for the YYS Reserved Shares) and no preferential treatment (in terms of allocation) will be given to the YYS Non-Independent Participants (who have applied for the YYS Reserved Shares and in their capacity as YYS Qualifying Shareholders) as compared to other YYS Qualifying Shareholders; and
- (e) the minimum public float requirement under Rule 8.08(1) of the Listing Rules will be complied with immediately after completion of the Global Offering and the Capitalization Issue.

WAIVER IN RESPECT OF PUBLIC FLOAT REQUIREMENT

According to Rule 8.08(1)(a) of the Listing Rules, there must be an open market in the securities for which listing is sought and for a sufficient public float of an issuer's listed securities to be maintained. This normally means 25% of the issuer's total issued share capital must at all times be held by the public. Pursuant to Rule 8.08(1)(d) of the Listing Rules, the Hong Kong Stock Exchange may, at its discretion, accept a lower percentage of public float between 15% to 25% in the case of issuers with an expected market capitalization of over HK\$10 billion at the time of listing, where the Hong Kong Stock Exchange is satisfied that the number of securities concerned and the extent of their distribution would enable the market to operate properly with a lower percentage of public float, and on condition that the issuer will make appropriate disclosure of the lower prescribed percentage of public float in the initial listing document and confirm sufficiency of public float in successive annual reports after listing. In addition, the Hong Kong Stock Exchange would require a sufficient portion of any securities intended to be marketed contemporaneously within and outside Hong Kong must normally be offered in Hong Kong.

If all XYX Reserved Shares are subscribed by the XYX Non-Independent Participants, the percentage of our Shares held by members of the public would be 16.26% at the time of the Listing on the basis that the holders of all XYX Reserved Shares would not be treated as public float of our Company for the purpose of the Listing Rules. Depending on the subscription level of the XYX Independent Shareholders under the XYX Assured Offering, the percentage of our Shares held by members of the public would increase to 28.41% if all XYX Reserved Shares are allocated to the XYX Independent Shareholders. Our Company has applied to the Hong Kong Stock Exchange to exercise its discretion under Rule 8.08(1)(a) of the Listing Rules, and the Hong Kong Stock Exchange has granted to our Company a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules, pursuant to which the percentage of public float of our Company at the time of the Listing shall not be less than 16.26% of our Shares in issue. In support of the waiver application, we have confirmed to the Hong Kong Stock Exchange that:

- (a) our Company will make appropriate disclosure of the lowest percentage of public float at the time of the Listing, i.e. 16.26%, in this prospectus;

- (b) the total number of our Hong Kong Offer Shares will represent more than 10% of the total number of our Offer Shares and the total number of our International Offer Shares (including the XYS Reserved Shares), which represents slightly less than 90% of the total number of our Offer Shares, would normally be offered in Hong Kong. Hence, the quantity and the scale of our Offer Shares would enable the market to operate properly even with a lower percentage of public float;
- (c) the expected market capitalization of our Company at the time of the Listing will be over HK\$10 billion;
- (d) our Company will confirm sufficiency of public float in the annual reports after the Listing; and
- (e) in the event that the public float percentage falls below the minimum percentage prescribed by the Hong Kong Stock Exchange, i.e. 15%, our Company will implement appropriate measures and mechanism to ensure the minimum public float percentage prescribed by the Hong Kong Exchange is complied with.

Therefore, our minimum public float shall be the highest of:

- (1) 16.26% of our Shares in issue at the time of the Listing if all XYS Reserved Shares are subscribed by the XYS Non-Independent Participants;
- (2) such other percentage, which is expected to be in the range between 16.26% and 28.41%, of our Shares to be held by members of the public immediately after completion of the Global Offering and the Capitalization Issue, assuming that the Over-allotment Option is not exercised, if not all XYS Reserved Shares are subscribed by the XYS Non-Independent Participants; and
- (3) such percentage of our Shares to be held by members of the public immediately after completion of the Global Offering and the Capitalization Issue, as increased by the number of our Offer Shares upon the exercise of the Over-allotment Option,

provided that the highest of (1), (2), and (3) above is below the minimum public float requirement of 25% under Rule 8.08(1)(a) of the Listing Rules.

The percentage of public float of our Company at the time of the Listing is expected to be in the range between 16.26% and 28.41% assuming that the Over-allotment Option is not exercise.

B. SUMMARY OF FOREIGN LAWS AND REGULATIONS

The Company is incorporated in the BVI as a BVI business company limited by shares on 26 June 2015 under the BVI Business Companies Act, 2004 (as amended) (**BVI BC Act**) and is subject to BVI law. The following is a summary of certain provisions of the BVI company law and general policy. The summary does not purport to contain all applicable qualifications and exemptions and does not purport to be a complete review of all matters of BVI company law or a comparison of provisions that may differ from the laws of other jurisdictions with which interested parties may be more familiar.

1. SHARES

There is no concept of authorised share capital, or of share capital, under the BVI BC Act. The memorandum of association of a company limited by shares must set out:

- (i) either the maximum number of shares the company is authorised to issue or state that the company is authorised to issue an unlimited number of shares; and
- (ii) the classes of shares that the company is authorised to issue, and, if the company is authorised to issue two or more classes of shares, the rights, privileges, restrictions and conditions attaching to each class of shares.

The BVI BC Act provides that, subject to the memorandum and articles of association of a company, a share may be issued with or without a par value. Where a company issues shares with par value, the consideration for a share shall not be less than the par value of the share. A share may be issued for consideration in any form, including money, a promissory note, or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.

Subject to the memorandum and articles of association of a company, its directors have the power to issue shares of the company from time to time.

Subject to the BVI BC Act and to a company's memorandum or articles of association, shares may be issued, and options to acquire shares in a company granted, at such times, to such persons, for such consideration and on such terms as the directors may determine.

The issue by a company of a share that (i) increases a liability of a person to the company, or (ii) imposes a new liability on a person to the company, is void if that person, or an authorised agent of that person, does not agree in writing to becoming the holder of that share. A share is deemed issued when the name of the member is entered in the company's register of members.

A company may, subject to its memorandum and articles of association, (a) divide its shares, including issued shares, into a larger number of shares; or (b) combine its shares, including issued shares, into a smaller number of shares. A division or combination of shares, including issued shares, of a class or series shall be for a larger or smaller number, as the case may be, of shares in the same class or series. Where par value shares are divided or combined, the aggregate par value of the new shares must be equal to the aggregate par value of the original shares. A company shall not divide its shares if it would cause the maximum number of shares that the company is authorised to issue by its memorandum of association to be exceeded.

2. MEMBERSHIP

Under the BVI BC Act, the entry of the name of a person in the register of members as a holder of a share in a company is prima facie evidence that legal title in the share vests in that person. A company may treat the holder of a registered share as the only person entitled to: (a) exercise any voting rights attaching to the share; (b) receive notices; (c) receive a distribution in respect of the share; and (d) exercise other rights and powers attaching to the share.

3. PURCHASE OF SHARES AND WARRANTS BY A COMPANY AND ITS SUBSIDIARIES

A BVI business company may purchase, redeem or otherwise acquire its own shares in accordance with either the provisions of the BVI BC Act or its memorandum or articles of association.

A company may not purchase, redeem or otherwise acquire its own shares without the consent of the member whose shares are to be purchased, redeemed or otherwise acquired, unless the company is permitted by the BVI BC Act or any provision of its memorandum or articles of association to purchase, redeem or otherwise acquire the shares without that consent.

No purchase, redemption or other acquisition of a company's own shares may be made unless the directors are satisfied on reasonable grounds that the company will, immediately after the purchase, redemption or acquisition, satisfy the solvency test. A company satisfies the solvency test if: (i) the value of its assets exceeds its liabilities; and (ii) the company is able to pay its debts as they fall due. The BVI BC Act provides for certain situations where this solvency test is not mandatory prior to repurchase, redemption or acquisition being permitted. These are where: (a) the company redeems the share or shares under and in accordance with section 62 of the BVI BC Act; (b) the company redeems the share or shares pursuant to a right of a member to have his shares redeemed or to have his shares exchanged for money or other property of the company; (c) the company purchases, redeems or otherwise acquires the share or shares by virtue of the provisions of section 176 or 179 of the BVI BC Act; or (d) the company acquires its own fully paid share or shares pursuant to section 59(1A) of the BVI BC Act.

The directors of a company may make an offer to purchase, redeem or otherwise acquire shares issued by the company, if the offer is:

- (a) an offer to all members to purchase, redeem or otherwise acquire shares issued by the company that:
 - (i) would, if accepted, leave the relative voting and distribution rights of the members unaffected; and
 - (ii) affords each member a reasonable opportunity to accept the offer; or
- (b) an offer to one or more members to purchase, redeem or otherwise acquire shares:
 - (i) to which all members have consented in writing; or
 - (ii) that is permitted by the memorandum or articles of association and is made in accordance with section 61 of the BVI BC Act.

Shares that are purchased, redeemed or otherwise acquired may be cancelled or held as treasury shares. A company may hold shares that have been purchased, redeemed or otherwise acquired as treasury shares if (i) the memorandum or articles of association of the company do not prohibit it from holding treasury shares; (ii) the directors resolve that shares to be purchased, redeemed or otherwise acquired shall be held as treasury shares; and (iii) the number of shares purchased, redeemed or otherwise acquired, when aggregated with shares of the same class already held by the company as treasury shares,

does not exceed 50% of the shares of that class previously issued by the company, excluding shares that have been cancelled. All the rights and obligations attaching to a treasury share are suspended and shall not be exercised by or against the company while it holds the share as a treasury share.

4. DISTRIBUTIONS

Subject to the BVI BC Act and its memorandum and articles of association, the directors of the company may, by resolution, authorize a distribution (which includes a dividend) by the company to its members if the directors are satisfied, on reasonable grounds, that immediately after the distribution satisfy the solvency test, that is: (a) the company will be able to pay its debts as they fall due; and (b) the value of our assets exceeds its liabilities.

A distribution made to a member at a time when the company did not, immediately after the distribution, satisfy the aforesaid solvency test may be recovered by the company from the member unless (a) the member received the distribution in good faith and without knowledge of our failure to satisfy the solvency test; (b) the member has altered his position in reliance on the validity of the distribution; and (c) it would be unfair to require repayment in full or at all.

If, after a distribution is authorised and before it is made, the directors cease to be satisfied on reasonable grounds that the company will, immediately after the distribution is made, satisfy the solvency test, any distribution made by the company is deemed not to have been authorised. A director is personally liable to the company to repay to the company so much of the distribution as is not able to be recovered from members if the director (a) ceased, after authorization but before the making of the distribution, to be satisfied on reasonable grounds for believing that the company would satisfy the solvency test immediately after the distribution is made; and (b) failed to take reasonable steps to prevent the distribution being made.

5. PROTECTION OF MINORITIES

The BVI BC Act provides that if a company or a director of a company engages in or has engaged in, or proposes to engage in, conduct that contravenes the BVI BC Act or the memorandum or articles of association of the company, the BVI High Court (**Court**) may, on the application of a member or a director of the company, make an order directing the company or director to comply with, or restraining the company or director from engaging in conduct that contravenes, the BVI BC Act or the memorandum or articles or association of the company.

The BVI BC Act also contains provisions allowing the Court, on the application of a member of a company, to grant leave to the member to (a) bring proceedings in the name and on behalf of that company; or (b) intervene in proceedings to which the company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the company. No proceedings brought by a member or in which a member intervenes with the leave of the Court may be settled or compromised or discontinued without the approval of the Court. Under the BVI BC Act, a member of a company may bring an action against the company for breach of a duty owed by the company to him as a member.

In the case where a member of a company brings proceedings against the company and other members that have the same or substantially the same interest in relation to the proceedings, the Court may appoint that member to represent all or some of the members having the same interest and may, for that purpose, make such order as it thinks fit, including an order (a) as to the control and conduct of the proceedings; (b) as to the costs of the proceedings; and (c) directing the distribution of any amount ordered to be paid by a defendant in the proceedings among the members represented.

The BVI BC Act provides that a member of a company who considers that the affairs of the company have been, are being or are likely to be, conducted in a manner that is, or any act or acts of the company have been, or are, likely to be oppressive, unfairly discriminatory, or unfairly prejudicial to him in that capacity, may make an application to the Court. If the Court considers that it is just and equitable to do so, it may make such order as it thinks fit, including, without limiting the generality of the section 184I of the BVI BC Act, one or more of the following orders: (a) in the case of a member, requiring the company or any other person to acquire the member's shares; (b) requiring the company or any other person to pay compensation to the member; (c) regulating the future conduct of our affairs; (d) amending the memorandum or articles of association of the company; (e) appointing a receiver of the company; (f) appointing a liquidator of the company under section 159(1) of the BVI Insolvency Act on the grounds specified in section 162(1)(b) of that Act; (g) directing the rectification of the records of the company; or (h) setting aside any decision made or action taken by the company or its directors in breach of the BVI BC Act or the memorandum or articles of association of the company. None of the foregoing orders may be made against the company or any other person unless the company or that person is a party to the proceedings in which the application is made.

A member or the BVI Registrar of Corporate Affairs may apply to the Court ex parte or upon such notice as the Court may require, for an order directing that an investigation be made of the company and any of its affiliated companies. If, upon such an application, it appears to the Court that: (a) the business of the company or any of its affiliates is or has been carried on with intent to defraud any person; (b) the company or any of its affiliates was formed for a fraudulent or unlawful purpose or is to be dissolved for a fraudulent or unlawful purpose; or (c) persons concerned with the incorporation, business or affairs of the company or any of its affiliates have in connection therewith acted fraudulently or dishonestly, the Court may make any order it thinks fit with respect to an investigation of the company and any of its affiliated companies by an inspector, who may be the Registrar of Corporate Affairs.

The BVI BC Act provides that a member of a company is entitled to payment of the fair value of his shares upon dissenting from any of the following:

- (1) a merger, if the company is a constituent company, unless the company is the surviving company and the member continues to hold the same or similar shares;
- (2) a consolidation, if the company is a constituent company;
- (3) any sale, transfer, lease, exchange or other disposition of more than 50% in value of the assets or business of the company, if not made in the usual or regular course of the business carried on by the company, but not including:
 - (i) a disposition pursuant to an order of the Court having jurisdiction in the matter,
 - (ii) a disposition for money on terms requiring all or substantially all net proceeds to be distributed to the members in accordance with their respective interests within one year after the date of disposition, or
 - (iii) a transfer pursuant to the power described in section 28(2) of the BVI BC Act;
- (4) a redemption of his shares by the company pursuant to section 176 of the BVI BC Act; and
- (5) an arrangement, if permitted by the Court.

6. MANAGEMENT

The BVI BC Act provides that, subject to the memorandum or articles of association of a company, any sale, transfer, lease, exchange or other disposition, other than a mortgage, charge or other encumbrance of the enforcement thereof, of more than 50% in value of the assets of the company (other than a transfer pursuant to a power described in section 28(3) of the BVI BC Act), if not made in the usual or regular course of business carried on by the company, must be approved by a resolution of members and in the manner provided in section 175 of the BVI BC Act.

A director of a company, in exercising his powers or performing his duties, shall act honestly and in good faith and in what the director believes to be in the best interests of the company. A director shall exercise his powers as a director for a proper purpose and shall not act, or agree to the company acting, in a manner that contravenes the BVI BC Act or the memorandum or articles of association of the company. A director of a company, when exercising powers or performing duties as a director, shall exercise the care, diligence and skill that a reasonable director would exercise in the same circumstances taking into account, but without limitation, (a) the nature of the company; (b) the nature of the decision; and (c) the position of the director and the nature of the responsibilities undertaken by him.

7. ACCOUNTING AND AUDITING REQUIREMENTS

A BVI business company is required by the BVI BC Act to keep records that: (a) are sufficient to show and explain its transactions; and (b) will, at any time, enable the financial position of the company to be determined with reasonable accuracy.

8. TAXATION IN THE BVI

A BVI business company is exempt from all provisions of the Income Tax Ordinance of the VI (including with respect to all dividends, interests, rents, royalties, compensations and other amounts payable by the company to persons who are not resident in the BVI). Capital gains realized with respect to any shares, debt obligations or other securities of the company by persons who are not resident in the BVI are also exempt from all provisions of the Income Tax Ordinance of the BVI.

No estate, inheritance, succession or gift tax is payable by persons who are not resident in the BVI with respect to any shares, debt obligations or other securities of the company, save for interest payable to or for the benefit of an individual resident in the European Union.

9. STAMP DUTY ON TRANSFER

No stamp duty is payable in the BVI on a transfer of shares, debt obligations or other securities in a BVI business company which is not a land owning company. A company is a land owning company if it, or any of its subsidiaries, has an interest in any land in the BVI.

10. INSPECTION OF CORPORATE RECORDS

A member of a company is entitled, on giving written notice to the company, to inspect the memorandum and articles of association, the register of members, the register of directors, and minutes of meetings and resolutions of members and of those classes of members of which he is a member, and to make copies of or take extracts from the documents and records maintained at the office of the registered agent of the company. Subject to the memorandum and articles of association of the company, its directors may, if they are satisfied that it would be contrary to the company's interests to allow the member to inspect the register of members, register of directors or minutes/resolutions of members or part of any such documents, refuse to permit the member to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records. The directors are required, as soon as reasonably practicable, to notify the member concerned. Where a company fails or refuses to permit a member to inspect a document or permits a member to inspect a document subject to limitations, that member may apply to the Court for an order that he should be permitted to inspect the document or to inspect the document without limitation.

The BVI BC Act requires a business company to keep minutes of all meetings of directors, members, committees of directors and committees of members and copies of all resolutions consented to by directors, members, committees of directors, committees of officers and committees of members. The minutes of meetings and resolutions of members and of classes of members, and the minutes of meeting of directors and committees of directors are required by the BVI BC Act to be kept at the office of the company's registered agent or at such other places, within or outside the BVI, as the directors may determine. A company shall keep at the office of its registered agent the memorandum and articles of association of the company, the register of members (or a copy thereof), the register of directors (or a copy thereof) and copies of all notices and other documents filed by the company in the previous ten years. The BVI BC Act requires a company to have a common seal and an imprint of the seal shall be kept at the office of its registered agent.

A business company is required to keep a register of members containing the names and addresses of the persons who hold registered shares in the company, the number of each class and series of registered shares held by each member, the date on which the name of each member was entered in the register of members and the date on which any person ceased to be a member. The register of members may be in such form as the directors may approve but if it is in magnetic, electronic or other data storage form, the company must be able to produce legible evidence of its contents. The entry of the name of a person in the register of members as a holder of a share in a company is prima facie evidence that legal title in the share vests in that person.

The BVI BC Act requires a business company to keep a register known as a register of directors containing the particulars as prescribed under the BVI BC Act. The register of directors is prima facie evidence of any matters directed or authorised by the BVI BC Act to be contained therein. A company shall file for registration by the BVI Registrar of Corporate Affairs a copy of its register of directors. A company that has filed for registration by the BVI Registrar of Corporate Affairs a copy of its register of directors shall, within 30 days of any changes occurring, file the changes in the register by filing a copy of the register containing the changes.

11. LIQUIDATION

(i) Where the business company is solvent

Where it is proposed to liquidate a solvent business company (that is, the company either has no liabilities or it is able to pay its debts as they fall due and the value of its assets equals or exceeds its liabilities), the directors of the company shall (a) make a declaration of solvency in the approved form stating that, in their opinion, the company is and will continue to be able to discharge, pay or provide for its debts as they fall due and the value of its assets equals or exceeds its liabilities, and (b) approve a liquidation plan specifying: (i) the reasons for the liquidation of the company, (ii) their estimate of the time required to liquidate the company, (iii) whether the liquidator is authorised to carry on the business of the company if he determines that to do so would be necessary or in the best interests of the creditors or members of the company, (iv) the name and address of each individual to be appointed as liquidator and the remuneration proposed to be paid to each liquidator, and (v) whether the liquidator is required to send to all members a statement of account prepared or caused to be prepared by the liquidator in respect of his actions or transactions. In accordance with the memorandum and articles of association of the company, the directors and/or the members of the company will pass a

resolution to appoint a voluntary liquidator and will give notice to the selected liquidator of his appointment. The liquidation of a company commences at the time at which the notice of the voluntary liquidator's appointment is filed. A resolution to appoint a voluntary liquidator is void and of no effect unless the voluntary liquidator files notice of his appointment on or before the fourteenth day following the date of the resolution.

Within 14 days of the date of his appointment, the voluntary liquidator is required to file a notice of his appointment in an approved form, the declaration of solvency made by the directors and a copy of the liquidation plan, with the Registrar. He is also required, within 30 days of the commencement of the liquidation, to advertise notice of his appointment in the manner prescribed.

With effect from the commencement of the voluntary liquidation of a company, the voluntary liquidator has custody and control of the assets of the company.

However, the right of a secured creditor to take possession of and realize or otherwise deal with assets of the company over which the creditor has a security interest will not be affected.

The directors of the company remain in office but they cease to have any powers, functions or duties other than those required or permitted under Part XII of the BVI BC Act.

The directors, after the commencement of the voluntary liquidation, may authorize the liquidator to carry on the business of the company if the liquidator determines that to do so would be necessary or in the best interests of the creditors or members of the company where the liquidation plan does not give the liquidator such authorization, and exercise such powers as the liquidator, by written notice, may authorize them to exercise.

The members of a company may, by resolution, appoint an eligible individual as an additional voluntary liquidator to act jointly with the voluntary liquidator or voluntary liquidators already appointed.

The Court may, at any time after the appointment of a voluntary liquidator, on application by a director, member or creditor of the company, make an order terminating the liquidation if it is satisfied that it would be just and equitable to do so. Where such an order is made, the company ceases to be in voluntary liquidation and the voluntary liquidator ceases to hold office with effect from the date of the order or such later date as may be specified in the order.

A voluntary liquidator shall, upon completion of a voluntary liquidation, file a statement that the liquidation has been completed and upon receiving the statement, the BVI Registrar of Corporate Affairs shall strike the company off the BVI Register of Companies and issue a certificate of dissolution in the approved form certifying that the company has been dissolved. The dissolution of the company is effective from the date of the issue of the certificate.

Immediately following the issue by the BVI Registrar of Corporate Affairs of a certificate of dissolution, the person who, immediately prior to the dissolution, was the voluntary liquidator of the company shall cause to be published in the Gazette, a notice that the company has been struck off the BVI Register of Companies and dissolved.

(ii) Where the business company is insolvent

If at any time the voluntary liquidator of a company in voluntary liquidation is of the opinion that the company is insolvent (that is to say, either the value of the company's liabilities exceeds, or will exceed, its assets or, the company is, or will be, unable to pay its debts as they fall due), he shall forthwith send a written notice to the Official Receiver in the approved form.

The voluntary liquidator shall then call a meeting of creditors of the company to be held within twenty one days of the date of the aforesaid notice to the Official Receiver. The said creditors meeting shall be treated as if it were the first meeting of the creditors of a company called under section 179 of the BVI Insolvency Act by a liquidator appointed by the members of a company and, sections 179 and 180 of the BVI Insolvency Act shall apply to the calling and holding of such a meeting.

Where a voluntary liquidator is not an eligible licensed insolvency practitioner with respect to the company, the Official Receiver may apply to the Court ex parte for the appointment of himself or an eligible licensed insolvency practitioner as the liquidator of the company and the Court may make the appointment subject to such conditions as it considers appropriate.

From the time that an appointed liquidator first becomes aware that the company is not, or will not be, able to pay its debts he shall conduct the liquidation as if he had been appointed liquidator under the BVI Insolvency Act.

The BVI Insolvency Act will apply to the liquidation of the company subject to such modifications as are appropriate and the liquidation of the company shall be deemed to have commenced on the date of the appointment of the voluntary liquidator.

12. RECONSTRUCTION

There are statutory provisions which facilitate arrangements which involve a plan of arrangement being approved by a resolution of directors of the company and application being made to the Court for approval of the proposed arrangement. Upon approval by the Court, the directors of the company, if they are still desirous of executing the plan, shall confirm the plan of arrangement as approved by the Court whether or not the Court has directed any amendments to be made thereto and give notice to the persons whom the order of Court requires notice to be given and submit the plan of arrangement to those persons for such approval, if any, as the Court order requires.

After the plan of arrangement has been so approved, articles of arrangement shall be executed by the company. The articles of arrangement shall contain the plan of arrangement, the order of the Court approving the plan of arrangement and the manner in which the plan of arrangement was approved (if approval was required by the order of the Court). The articles of arrangement shall be filed with the BVI Registrar of Corporate Affairs who shall register them. Upon registration of the articles of arrangement, the Registrar shall issue a certificate in the approved form certifying that the articles of arrangement have been registered.

An arrangement is effective on the date the articles of arrangement are registered by the BVI Registrar of Corporate Affairs or on such date subsequent thereto, not exceeding 30 days, as is stated in the articles of arrangement.

13. COMPULSORY ACQUISITION

Subject to the memorandum or articles of association of a company, members of the company holding 90% of the votes of the outstanding shares entitled to vote on a merger or consolidation, and members of the company holding 90% of the votes of the outstanding shares of each class of shares entitled to vote as a class, may give a written instruction to the company directing the company to redeem the shares held by the

remaining members. Upon receipt of the written instruction, the company shall redeem the shares specified in the written instruction irrespective of whether or not the shares are by their terms redeemable. The company shall give written notice to each member whose shares are to be redeemed stating the redemption price and the manner in which the redemption is to be effected.

14. INDEMNIFICATION

Section 132 of the BVI BC Act provides that subject to the memorandum or articles of association of a company, the company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who (a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the company, or (b) is or was, at the request of the company, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, provided that the said person had acted honestly and in good faith and in what he believed to be in the best interests of the company and, in the case of criminal proceedings, the person had no reasonable cause to believe that his conduct was unlawful. Any indemnity given in breach of the foregoing proviso is void and of no effect.

Expenses, including legal fees, incurred by a director or a former director in defending any legal, administrative or investigative proceedings may be paid by the company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the director or the former director, as the case may be, to repay the amount if it shall ultimately be determined that the director is not entitled to be indemnified by the company. In the case of a former director, the undertaking to be furnished by such former director may also include such other terms and conditions as the company deems appropriate.

A company may purchase and maintain insurance in relation to any person who is or was a director of the company, or who at the request of the company is or was serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the company has or would have had the power to indemnify the person against the liability under section 132 of the BVI BC Act.

C. SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company was incorporated in the BVI as a BVI business company with limited liability on June 26, 2015 under the BVI Business Companies Act, 2004 (as amended) (the **BVI BC Act**). The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (**Memorandum**) and its Amended and Restated Articles of Association (**Articles**).

1. MEMORANDUM OF ASSOCIATION

- (a) The Memorandum provides, inter alia, that the liability of Shareholders (as defined in the Articles) is limited and that subject to the BVI BC Act and any other BVI legislation, the Company has full capacity to carry on or undertake any business or activity, do any act or enter into any transaction.
- (b) By special resolution the Company may amend the Memorandum except that the Company may amend its Memorandum by an ordinary resolution to change the maximum number of shares (**Shares**) that the Company is authorised to issue.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on November 22, 2018 which will take effect upon registration by the Registrar of Corporate Affairs in the BVI. A summary of certain provisions of the Articles is set out below.

(a) Shares

(i) Classes of Shares

The authorised Shares consist of ordinary Shares.

(ii) Variation of rights of existing Shares or classes of Shares

Subject to the BVI BC Act, if at any time the Shares is divided into different classes of Shares, all or any of the special rights attached to any class of Shares may (unless otherwise provided for by the terms of issue of the Shares of that class) 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. The provisions of the Articles relating to general meetings shall mutatis mutandis apply to every

such separate general meeting, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or representing by proxy not less than one-third in nominal value of the issued Shares of that class. Every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him, and any holder of Shares of the class present in person or by proxy may demand a poll.

Any special rights conferred upon the holders of any Shares or class of Shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such Shares, be deemed to be altered by the creation or issue of further Shares ranking *pari passu* therewith.

(iii) **Alteration of authorised Shares**

The Company may, by an ordinary resolution of the Shareholders: (a) amend the Memorandum to change the maximum number of Shares that the Company is authorised to issue; (b) divide its Shares, including issued Shares, into a larger number of Shares; and (c) combine its Shares, including issued Shares, into a smaller number of Shares.

(iv) **Transfer of Shares**

Subject to the BVI BC Act and the requirements of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), all transfers of Shares shall be effected by a written instrument of transfer in the usual or common form or in such other form as the Board may accept and approve and may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee(s)), under hand or by machine imprinted signature, or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the register of members of the Company in respect of that Share.

The Board may, in its absolute discretion, at any time and from time to time remove any Share on the principal register to any branch register or any Share on any branch register to the principal register or any other branch register. Unless the Board otherwise agrees, no Shares on the principal register shall be removed to any branch register nor shall Shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and be registered, in the case of Shares on any branch register, at the relevant registration office of the Company and, in the case of any Shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any Share (not being a fully paid up Share) to a person of whom it does not approve or on which the Company has a lien. It may also decline to register a transfer of any Share issued under any Share option scheme upon which a restriction on transfer subsists or a transfer of any Share to more than four joint holders.

The Board may refuse to recognise any instrument of transfer unless a certain fee, up to such maximum sum as the Stock Exchange may determine to be payable, is paid to the Company, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of Share and is lodged at the relevant registration office of the Company or the place at which the principal register is located accompanied by the relevant Share certificate(s) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members of the Company may, subject to the Listing Rules, be closed at such time or for such period as the Board may determine.

Fully paid Shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens.

(v) Power of the Company to purchase its own Shares

The Company may, by resolution of the Board, purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the BVI BC Act or any other provision in the Memorandum or the Articles to purchase, redeem or otherwise acquire the Shares without their consent.

(vi) Power of any subsidiary of the Company to own Shares in the Company

There are no provisions in the Articles relating to the ownership of Shares in the Company by a subsidiary.

(vii) Calls on Shares and forfeiture of Shares

The Board may, from time to time, make such calls as it thinks fit upon the Shareholders in respect of any moneys unpaid on the Shares held by them respectively and not by the conditions of allotment of such Shares made payable at fixed time. A call may be made payable either in one sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for payment to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any Shareholder willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any Shares held by him, and in respect of all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment, the Board may, for so long as any part of the call or instalment remains unpaid, serve not less than 14 days' notice on the Shareholder 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. 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 shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the Shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice 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 will include all dividends and other distributions declared in respect of the forfeited Share and not actually paid before the forfeiture.

A person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares but shall, nevertheless, 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 forfeited Shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding 20% per annum as the Board may prescribe.

(b) Directors

(i) Appointment, retirement and removal

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the Shareholders in general meeting. Any Director so appointed to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director so appointed as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company after his appointment and be eligible for re-election at such meeting. Any Director so appointed by the Board under the Articles shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

At each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not three or a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

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 has been lodged at the head office or at the registration office of the Company. The period for lodgment of such notices shall commence no earlier than the day after despatch of the notice of the relevant general meeting appointed for such election and end no later than seven days before the date of such general meeting and the minimum length of the period during which such notices may be given will be at least seven days.

A Director is not required to hold any Shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to or retirement from the Board.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (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 the Company may by ordinary resolution appoint another in his place. Any Director so appointed shall be subject to the “rotation and retirement of Directors” provisions. The number of Directors shall not be less than two.

The office of a Director shall be vacated if he:

- (aa) resign;
- (bb) dies;
- (cc) is declared to be of unsound mind and the Board resolves that his office be vacated;
- (dd) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ee) he is prohibited from being or ceases to be a director by operation of law;
- (ff) without special leave, is absent from meetings of the Board for six consecutive months, and the Board resolves that his office is vacated;
- (gg) has been required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine, and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director(s) or other person(s) as the Board thinks fit, and from time to time it may also 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.

(ii) Power to allot and issue Shares and warrants

Subject to the BVI BC Act, the Shares and other securities may be issued by the Company for such consideration and on such terms as the Board may from time to time determine.

The Company may issue warrants to subscribe for any class of Shares or other securities of the Company on such terms as the Board may from time to time determine.

Where warrants are issued to bearer, no certificate in respect of such warrants shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate has been destroyed and the Company has received an indemnity in such form as the Board thinks fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the BVI BC Act, the Articles and, where applicable, the Listing Rules (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any Shares or any class of Shares, all unissued Shares and other securities of 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 and conditions as it in its absolute discretion thinks fit.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over, disposal of Shares or other securities of the Company, to make, or make available, any such allotment, offer, option or Shares to Shareholders or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no Shareholder affected as a result of the foregoing shall be, or be deemed to be, a separate class of Shareholders for any purpose whatsoever.

(iii) Power to dispose of the assets of the Company or any of its subsidiaries

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the BVI BC Act to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(iv) Borrowing powers

The Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the assets, undertaking and property of the Company and, subject to the BVI BC Act, to issue debentures, bonds and 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.

(v) Remuneration

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is voted) to be divided among the Directors in such proportions and in such manner as they may agree or, failing agreement, either equally or, in the case of any Director holding office for only a portion of the period in respect of which the remuneration is payable, pro rata. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company, performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration as the Board may determine, in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

(vi) Compensation or payments for loss of office

Payments to any present 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 or statutorily entitled) must be approved by the Company in general meeting.

(vii) Loans and provision of security for loans to Directors

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective close associates, or, if any one or more of the Directors hold(s) (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(viii) Disclosure of interest in contracts with the Company or any of its subsidiaries

A Director shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors.

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company 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 for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director, officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the Shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship established by it. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly in that Share have failed to disclose their interests to the Company.

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

- (aa) the giving of any security or indemnity 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;
- (bb) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (cc) any proposal concerning an offer of Shares, 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;
- (dd) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries, including the adoption, modification or operation of either: (i) 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) any of a pension fund or retirement, death or disability benefits scheme which relates to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (ee) 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, debentures or other securities of the Company by virtue only of his/their interest in those Shares, debentures or other securities.

(ix) Proceedings of the Board

The Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

(c) Alterations to the constitutional documents and the Company's name

To the extent that the same is permissible under BVI law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed, with the sanction of a special resolution of the Company.

(d) Meetings of Shareholder

(i) Special and ordinary resolutions

A special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the case of Shareholders which are corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given. An "ordinary resolution", by contrast, is a resolution passed by a simple majority of the votes cast by such Shareholders as, being entitled to do so, vote in person or, in the case of Shareholders which are corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given.

A resolution in writing signed by or on behalf of all Shareholders shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

(ii) Voting rights and right to demand a poll

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of Shares at any general meeting:

(a) on a poll every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every Share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for this purpose as paid up on the Share; and (b) on a show of hands every Shareholder who is present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote. Where more than one proxy is appointed by a Shareholder which is a Clearing House (as defined in the Articles) or its nominee(s), each such proxy shall have one vote on a show of hands. On a poll, a Shareholder entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution to be voted on by a show of hands. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by (in each case by Shareholders present in person or by proxy or by a duly authorised corporate representative):

- (A) at least two Shareholders;
- (B) any Shareholder or Shareholders representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (C) a Shareholder or Shareholders holding Shares in the Company conferring a right to vote at the meeting on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

Should a Clearing House or its nominee(s) be a Shareholder, such person or persons may be authorised as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of Shareholders provided that, if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. A person authorised in accordance with this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s) as if such person were an individual Shareholder including the right to vote individually on a show of hands.

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

(iii) Annual general meetings

The Company must hold an annual general meeting each year other than the year of the Company's adoption of the Articles. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

(iv) Notices of meetings and business to be conducted

An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and any other general meeting of the Company shall be called by at least 14 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 must specify the time, place and agenda of the meeting and particulars of the resolution(s) to be considered at that meeting and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a Share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any Shareholder personally, by post to such Shareholder's registered address or (in the case of a notice) by advertisement in the newspapers. Any Shareholder whose registered address is

outside Hong Kong may notify the Company in writing of an address in Hong Kong which shall be deemed to be his registered address for this purpose. Subject to the BVI BC Act and the Listing Rules, a notice or document may also be served or delivered by the Company to any Shareholder by electronic means.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

- (i) in the case of an annual general meeting, by all Shareholders entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting holding not less than 95% of the total voting rights in the Company.

All business transacted at an extraordinary general meeting shall be deemed special business. All business shall also be deemed special business where it is transacted at an annual general meeting, with the exception of certain routine matters which shall be deemed ordinary business.

(v) **Quorum for meetings and separate class meetings**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two Shareholders present in person (or in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued Shares of that class.

(vi) **Proxies**

Any Shareholder entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder and shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise if it were an individual Shareholder. On a poll or on a show of hands, votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy.

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 a duly authorised officer or attorney. 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, provided that it shall not preclude the use of the two-way form. Any form issued to a Shareholder for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the Shareholder, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

(e) **Accounts and audit**

The Board shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy. The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts, together with a copy of the Directors' report and a copy of the auditors' report, not less than 21 days before the date of the

annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the Listing Rules(as defined in the Articles), the Company may send summarized financial statements to Shareholders who have, in accordance with the Listing Rules (as defined in the Articles), consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by any other documents as may be required under the Listing Rules (as defined in the Articles), and must be sent to those Shareholders that have consented and elected to receive the summarised financial statements not less than 21 days before the general meeting.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the Shareholders.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

(f) Dividends

The Board may from time to time declare and pay dividends in any currency if they are satisfied, on reasonable grounds, that, immediately after the dividend, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due. No dividend shall bear interest as against the Company. Except in so far as the rights attaching to, or the terms of issue of, any Share may otherwise provide:

- (a) all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the Shares during any portion(s) of the period in respect of which the dividend is paid; and
- (b) the Board may deduct from any dividend or other moneys payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Where the Board has resolved that a dividend be paid or declared, the Board may further resolve:

- (aa) that such dividend be satisfied wholly or in part in the form of an allotment of Shares credited as fully paid up, provided that the Shareholders entitled to such dividend will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment;
- (bb) that the Shareholders entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit; or
- (cc) that such dividend 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.

Any dividend payable in cash to the holder of Shares may be paid by cheque or warrant sent through the post. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends in respect of the Shares held by such joint holders.

Where the Board has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any Shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any Shares held by him, and in respect of all or any of the moneys so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide, but a payment in advance of a call shall not entitle the Shareholder to receive any dividend or to exercise any other rights or privileges as a Shareholder in respect of the Share or the due portion of the Shares upon which payment has been advanced by such Shareholder before it is called up.

All dividends unclaimed for one year after having been declared may be invested or otherwise used 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 unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend payable by the Company on or in respect of any Share shall bear interest against the Company.

The Company may exercise the power to cease sending cheques for dividends by post if such cheques remain uncashed on two consecutive occasions or after the first occasion on which such a cheque is returned undelivered.

(g) Inspection of corporate records

For so long as any Shares is listed on the Stock Exchange, any Shareholder may inspect during business hours any register of members of the Company maintained in Hong Kong (except when the register of members of the Company is closed) without charge and require the provision to him of copies or extracts of such register in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

(h) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority Shareholders in relation to fraud or oppression. However, certain remedies may be available to Shareholders under BVI law, as summarized in paragraph 3(E) of this Appendix.

(i) Procedures on liquidation

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

If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the Shareholders in proportion to the amount paid up on the Shares held by them respectively.

D. MEMORANDUM AND ARTICLES OF ASSOCIATION
BVI COMPANY NUMBER: 1879366

TERRITORY OF THE BRITISH VIRGIN ISLANDS
THE BVI BUSINESS COMPANIES ACT, 2004

AMENDED AND RESTATED
MEMORANDUM
AND
ARTICLES
OF
ASSOCIATION

Xinyi Energy Holdings Limited

信義能源控股有限公司

A COMPANY LIMITED BY SHARES

Incorporated on the 26th day of June, 2015

(as adopted by a resolution of Shareholders passed on 22 November 2018)

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TERRITORY OF THE BRITISH VIRGIN ISLANDS
THE BVI BUSINESS COMPANIES ACT 2004

AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION
OF
XINYI ENERGY HOLDINGS LIMITED

信義能源控股有限公司
(Company)

(adopted by a resolution of Shareholders passed on 22 November 2018)

1. Interpretation

1.1 In the Memorandum and the Articles, unless the context otherwise requires a reference to:

- (a) a **Regulation** is a reference to a regulation of the Articles;
- (b) a **Clause** is a reference to a clause of the Memorandum;
- (c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;
- (d) the Act, the Memorandum or the Articles is a reference to the Act or those documents as amended; and
- (e) the singular includes the plural and vice versa.

1.2 Any words or expressions defined in the Act unless the context otherwise requires bear the same meaning in the Memorandum and Articles unless otherwise defined herein.

1.3 Headings are inserted for convenience only and shall be disregarded in interpreting the Memorandum and Articles.

2. NAME

2.1 The name of the Company is Xinyi Energy Holdings Limited.

2.2 The Company has a foreign character name, in addition to its name, which is 信義能源控股有限公司.

3. STATUS

The Company is a company limited by shares.

4. REGISTERED OFFICE AND REGISTERED AGENT

- 4.1 The first registered office of the Company is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands, the office of the first registered agent.
- 4.2 The first registered agent of the Company is Offshore Incorporations Limited of P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.
- 4.3 The Company may by Resolution of Directors change the location of its registered office or change its registered agent.
- 4.4 Any change of registered office or registered agent will take effect on the registration by the Registrar of a notice of the change filed by the existing registered agent or a legal practitioner in the British Virgin Islands acting on behalf of the Company.

5. CAPACITY AND POWERS

- 5.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:
 - (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
 - (b) for the purposes of Sub-Clause 5.1(a), full rights, powers and privileges.
- 5.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

6. NUMBER AND CLASSES OF SHARES

- 6.1 The Company is authorised to issue a maximum of 800,000,000,000 Shares of HK\$0.01 par value each of a single class.
- 6.2 The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole Share of the same class or series of Shares.

7. DESIGNATIONS, POWERS, PREFERENCES, ETC. OF SHARES

7.1 Each Share confers upon the Shareholder:

- (a) the right to one vote at a meeting of the Shareholders;
- (b) the right to speak at a meeting of the Shareholders;
- (c) the right to an equal share in any Dividend (as defined in the Articles) paid by the Company; and
- (d) the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

7.2 The directors may at their discretion by Resolution of Directors redeem, purchase or otherwise acquire all or any of the Shares subject to provisions of the Articles.

8. RIGHTS NOT VARIED BY THE ISSUE OF SHARES *PARI PASSU*

The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

9. REGISTERED SHARES

9.1 The Company shall issue registered Shares only.

9.2 The Company is not authorised to issue bearer Shares, convert registered Shares to bearer Shares or exchange registered Shares for bearer Shares.

10. TRANSFER OF SHARES

10.1 The Company shall, on receipt of an instrument of transfer complying with the provisions of the Articles, enter the name of the transferee of a Share in the register of members unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors.

10.2 The directors may not resolve to refuse or delay the transfer of a Share unless the Shareholder has failed to pay an amount due in respect of the Share.

11. AMENDMENT OF MEMORANDUM AND ARTICLES

The Company may amend its Memorandum or Articles by a Special Resolution (as defined in the Articles) except that the Company may amend its Memorandum by an Ordinary Resolution (as defined in the Articles) to change the maximum number of Shares that the Company is authorised to issue. The existing Shareholders should not alter the constitutional documents to increase an existing Shareholder's liability to the Company unless such increase is agreed by such Shareholder in writing.

**TERRITORY OF THE BRITISH VIRGIN ISLANDS
THE BVI BUSINESS COMPANIES ACT 2004**

**AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
XINYI ENERGY HOLDINGS LIMITED**

信義能源控股有限公司
(Company)

(adopted by a resolution of the Shareholders passed on 22 November 2018)

1 Definitions and Interpretation

- (a) Any marginal notes, titles or lead in references to Articles and the index of the Memorandum and Articles of Association shall not form part of the Memorandum or Articles of Association and shall not affect their interpretation. In interpreting the Memorandum and these Articles, unless there be something in the subject or context inconsistent therewith:

Marginal Notes

Act: means the BVI Business Companies Act (No 16 of 2004) (as amended from time to time) and includes the regulations made under the Act;

Definitions

address: shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Articles;

Definitions

appointor: means in relation to an alternate Director, the Director who appointed the alternate to act as his alternate;

Articles: means these articles of association of the Company in their present form and all supplementary, amended or substituted articles for the time being in force;

Auditors: means the persons appointed by the Company from time to time to perform the duties of auditors of the Company;

Board: means the board of Directors of the Company as constituted from time to time or as the context may require the majority of Directors present and voting at a meeting of the Directors at which a quorum is present;

Call: shall include any instalment of a call;

Clearing House: means a clearing house recognised by the laws of the jurisdiction in which the Shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction;

Close Associate(s): shall have the meaning as defined in the Listing Rules;

Companies Ordinance: means the Companies Ordinance, Cap. 622 of the Laws of Hong Kong as amended from time to time;

Company: means the above named company;

Director: means such person or persons as shall be appointed to the Board from time to time;

Dividend: means dividends, distributions in specie or in kind, capital distributions and capitalisation issues;

Eligible Person: individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons;

Head Office: means such office of the Company as the Board may from time to time determine to be the principal office of the Company;

HK Stock Exchange: means The Stock Exchange of Hong Kong Limited;

HK\$ or Hong Kong dollars: means Hong Kong dollars, the lawful currency for the time being of Hong Kong;

Holding Company: has the meaning ascribed to it by Section 13 of the Companies Ordinance;

Hong Kong: means 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 (as amended from time to time);

Memorandum: means the memorandum of association of the Company;

Month: means a calendar month;

Newspapers: means at least one English language daily newspaper and at least one Chinese language daily newspaper, in each case published and circulating generally in the Relevant Territory and specified or not excluded for this purpose by the stock exchange in the Relevant Territory;

Ordinary Resolution: means a resolution as described in Article 1(d) of these Articles;

Paid: means, as it relates to a Share, paid or credited as paid;

Register: means the principal register and any branch register of Shareholders of the Company to be maintained at such place within or outside the British Virgin Islands as the Board shall determine from time to time;

Registered Office: means the registered office of the Company for the time being as required by the Act;

Registrar: the Registrar of Corporate Affairs appointed under section 229 of the Act;

Registration Office: means 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 of the Company and where (except in cases where the Board otherwise agrees) transfers of other documents of title for Shares are to be lodged for registration and are to be registered;

Relevant Period: means the period commencing from the date on which any of the securities of the Company first become listed on the HK Stock Exchange to and including the date immediately before the day on which none of such securities are so listed (and so that if at any time listing of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as listed);

Relevant Territory: means Hong Kong or such other territory where any of the securities of the Company is listed on a stock exchange in that territory;

Resolution of Directors: means either:

- (a) a resolution approved at a duly convened and constituted meeting of Directors or of a committee of Directors by the affirmative vote of a majority of the Directors present at the meeting who voted except that where a Director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or
- (b) a resolution consented to in writing by all Directors or by all members of a committee of Directors, as the case may be;

Seal: means any seal which has been duly adopted as the common seal of the Company and any one or more facsimile seals from time to time of the Company;

Secretary: means the person for the time being performing the duties of that office of the Company and includes any assistant, deputy, acting or temporary secretary;

Securities: Shares and debt obligations of every kind of the Company, and including without limitation options, warrants and rights to acquire shares or debt obligations;

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

Share: means a share in the authorised shares of the Company;

Shareholder: means an Eligible Person who is duly registered in the Register as holder for the time being of any Share and includes persons who are jointly so registered;

Special Resolution: means a resolution as described in Article 1(c) of these Articles;

Subsidiary: has the meaning ascribed to it by Section 15 of the Companies Ordinance;

Transfer Office: means the place where the principal register of Shareholders is located for the time being.

(b) In these Articles, unless there be something in the subject or context inconsistent herewith:

General

- (i) words denoting the singular number shall include the plural number and vice versa;
- (ii) words importing any gender shall include every gender and words importing persons shall include partnerships, firms, companies and corporations;
- (iii) subject to the foregoing provisions of this Article, any words or expressions defined in the Act (except any statutory modification thereof not in force when these Articles become binding on the Company) shall bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in the British Virgin Islands or elsewhere; and
- (iv) references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

General

- (c) At all times during the Relevant Period a resolution shall be a Special Resolution when it has been passed by a majority of not less than $\frac{3}{4}$ of the votes cast by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the cases of Shareholders which are corporations, by their respective duly authorised representatives at a general meeting held in accordance with these Articles and of which notice specifying the intention to propose the resolution as a special resolution has been duly given.
- (d) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such Shareholders as, being entitled to do so, vote in person or by proxy or, in the cases of Shareholders which are corporations, by their respective duly authorised representatives at a general meeting held in accordance with these Articles and of which not less than 14 days’ notice has been duly given.

Special
Resolution

Ordinary
Resolution

(e) A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all Shareholders for the time being entitled to receive notice of and to attend and vote at general meetings of the Company shall, for the purpose of these Articles, be treated as an Ordinary Resolution duly passed at a general meeting of the Company duly convened and held and, where relevant as a Special Resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last person to sign, and where the resolution states a date as being the date of his signature thereof by any Shareholder the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, and signed by one or more relevant Shareholders.

Resolutions
in writing

(f) A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles.

Special
Resolution
effective as
Ordinary
Resolution

2 To the extent that the same is permissible under British Virgin Islands law and subject to Article 8, a Special Resolution shall be required to alter the Memorandum of Association of the Company, to approve any amendment of the Articles or to change the name of the Company.

When Special
Resolution
is required

SHARES, WARRANTS AND MODIFICATION OF RIGHTS

3 Subject to the Act, Shares and other Securities may be issued by the Company for such consideration and on such terms as the Board may from time to time determine. Section 46 of the Act (Pre-emptive rights) does not apply to the Company. Bonus Shares may be issued by the Company on such terms as the Board may from time to time determine and shall be deemed to have been fully paid for on issue.

Issue of
Shares

4 The Company may issue warrants to subscribe for any class of Shares or other securities of the Company on such terms as the Board may from time to time determine. Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Issue of
Warrants

- 5 (a) If at any time the Shares are divided into different classes of Shares, all or any of the special rights attached to any class of Shares (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, be varied, modified or abrogated either with the consent in writing of the holders of not less than $\frac{3}{4}$ in nominal value of the issued Shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy not less than one-third in nominal value of the issued Shares of that class, that the quorum for any meeting adjourned for want of quorum shall be two Shareholders present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of Shares held by them) and that any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.
- (b) The provisions of this Article shall apply to the variation or abrogation of the rights attached to the Shares of any class as if each group of Shares of the class differently treated formed a separate class the rights whereof are to be varied or abrogated.
- (c) The special rights conferred upon the holders of any Shares or class of Shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such Shares be deemed to be altered by the creation or issue of further Shares ranking *pari passu* therewith.
- 6 As at the date of the adoption of these Articles, the Company is authorised to issue a maximum of 800,000,000,000 Shares of HK\$0.01 par value each of a single class.

- 7 (a) All unissued Shares and other securities of the Company shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms and conditions as it in its absolute discretion thinks fit. The Board shall, as regards any offer or allotment of Shares, comply with the provisions of the Act, if and so far as such provisions may be applicable thereto.
- (b) Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of Shares or other securities of the Company, to make, or make available, and may resolve not to make, or make available, any such allotment, offer, option or Shares or other securities to Shareholders or others with registered addresses in any jurisdiction outside of the Relevant Territory, or in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable, or the existence or extent of the requirement for such registration statement or special formalities might be expensive (whether in absolute terms or in relation to the rights of the Shareholder(s) who may be affected) or time consuming to determine. The Board shall be entitled to make such arrangements to deal with fractional entitlements arising on an offer of any unissued Shares or other securities as it thinks fit, including the aggregation and the sale thereof for the benefit of the Company. Shareholders who may be affected as a result of any of the matters referred to in this paragraph (b) shall not be, and shall be deemed not to be, a separate class of Shareholders for any purposes whatsoever.
- 8 The Company may from time to time by Ordinary Resolution:
- (a) amend the Memorandum to change the maximum number of Shares that the Company is authorised to issue;
- (b) divide its Shares, including issued Shares, into a larger number of Shares; and
- (c) combine its Shares, including issued Shares, into a smaller number of Shares.

Unissued
Shares at the
disposal of
the Directors

Alteration of
authorised
Shares

- 9 (a) Subject to the Act, the Company may, by resolution of the Board, purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.
- (b) Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all Shareholders alike.
- (c) Sections 60 (Process for purchase, redemption or other acquisition of own shares), 61 (Offer to one or more shareholders) and 62 (Shares redeemed otherwise than at the option of company) of the Act shall not apply to the Company.

Redemption
or repurchase
of Shares

REGISTER OF SHAREHOLDERS AND SHARE CERTIFICATES

- 10 Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any Share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share or any other right or claim to or in respect of any Shares except an absolute right to the entirety thereof of the registered holder.
- 11 (a) The Board shall cause to be kept the Register and there shall be entered therein the particulars required under the Act.
- (b) Subject to the provisions of the Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a principal or branch register of Shareholders at such location as the Board thinks fit and, during the Relevant Period, the Company shall keep its principal or a branch register of Shareholders in Hong Kong.
- (c) During the Relevant Period (except when the Register is closed), any Shareholder may inspect during business hours any Register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.

Share Register

Local or branch
register

App.3
Para 8(1) 8(2)

App.13 Part B
Para 3(2)

App.13 Part B
Para 3(2)

(d) Subject to the Listing Rules, the Register may be closed at such time or for such period as the Board may determine.

12 (a) Every person whose name is entered as a Shareholder in the Register shall be entitled to receive within the relevant time limit as prescribed in the Act or as the HK Stock Exchange may from time to time determine, whichever is shorter, after allotment or lodgement of a transfer (or within such other period as the conditions of issue shall provide or is required by the applicable rules of the stock exchange of the Relevant Territory) one certificate for all his Shares, or, if he shall so request, in a case where the allotment or transfer is of a number of Shares in excess of the number for the time being forming a stock exchange board lot for the purposes of the stock exchange of the Relevant Territory on which the Shares are listed upon payment of such sum (in the case of a transfer, not exceeding HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the Listing Rules) for every certificate after the first as the Board may from time to time determine, such number of certificates for Shares in stock exchange board lots or whole multiples thereof as he shall request and one for the balance (if any) of the Shares in question, provided that in respect of a Share or Shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of the joint holders shall be sufficient delivery to all such holders.

Share
certificates

(b) The Company may, in the event of a change in the form of definitive Share certificate adopted by the Board, issue new definitive certificates to all holders of Shares appearing on the Register in replacement of old definitive certificates issued to such holders. The Board may resolve whether or not to require the return of the old certificates as a condition precedent to the issue of replacement certificates and, as regards any old certificates which have been lost or defaced, to impose such conditions (including as to indemnity) as the Board shall see fit. If the Board elects not to require the return of the old certificates, the same shall be deemed to have been cancelled and of no further effect for all purposes.

13 Every certificate for Share(s), warrants or debentures or representing any other form of securities of the Company shall be issued under the Seal of the Company, which for this purpose may be a duplicate Seal.

Share
certificates
to be sealed

App.3
Para 10(1);
10(2)

14 Every share certificate hereafter issued shall specify the number and class of Shares in respect of which it is issued 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, and where the Shares of the Company includes Shares with different voting rights, the designation of each class of Shares, other than those which carry the general right to vote at general meetings, must include the words “restricted voting” or “limited voting” or “non-voting” or some other appropriate designation which is commensurate with the rights attaching to the relevant class of Shares.

Share certificate to specify number and class of shares

App.3
Para 1(3)

15 (a) The Company shall not be bound to register more than four persons as joint holders of any Share.

Joint holders

(b) If any Shares shall stand in the names of two or more persons, the person first named in the Register shall be deemed to be sole holder thereof as regards service of notice and, subject to the provisions of these Articles, all or any other matter connected with the Company, except the transfer of the Share.

16 If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, (not exceeding HK\$2.50 or such other sum as may from time to time be allowed or not prohibited under the Listing Rules) as the Board shall 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 all costs and out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

Replacement of share certificates

LIEN

- App.3
Para 1(2)
- 17 The Company shall have a first and paramount lien on every Share (not being a fully paid Share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of that Share; 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 Shareholder, whether singly or jointly with any other person or persons, for all the debts and liabilities of such Shareholder 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 Shareholder, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Shareholder or his estate and any other person, whether a Shareholder of the Company or not. The Company's lien (if any) on a Share shall extend to all Dividends and other distributions 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 Article.
- 18 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, in the manner in which notices may be sent to Shareholders of the Company as provided in these Articles, 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.

Company's lien

Sale of
shares subject
to lien

- 19 The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the Shares prior to the sale) be paid to the person entitled to the Shares at the time of the sale. For the purpose of giving effect to any such sale, the Board may authorise some person to transfer the Shares sold to the purchaser thereof and may enter the purchaser's name in the Register as holder of the Shares, and the purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- Application of proceeds of sale

CALLS ON SHARES

- 20 The Board may from time to time make such calls as it thinks fit upon the Shareholders in respect of any moneys unpaid on the Shares held by them respectively and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one sum or by instalments.
- Calls/
instalments
- 21 At least 14 days' notice of any call shall be given to the relevant Shareholders specifying the time and place of payment and to whom such call shall be paid.
- Notice of call
- 22 A copy of the notice referred to in Article 21 shall be sent to relevant Shareholders in the manner in which notices may be sent to Shareholders by the Company as herein provided.
- Copy of notice to be sent to shareholders
- 23 In addition to the giving of notice in accordance with Article 22, 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 relevant Shareholders by notice to be inserted at least once in the Newspapers.
- Notice of call may be given
- 24 Every Shareholder upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.
- Time and place for payment of call
- 25 A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- When call deemed to have been made
- 26 The joint holders of a Share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such Share or other moneys due in respect thereof.
- Liability of joint holders

- 27 The Board from time to time at its discretion may extend the time fixed for any call, and may extend such time as regards all or any of the Shareholders, whom due to residence outside the Relevant Territory or other cause the Board may deem entitled to any such extension but no Shareholder shall be entitled to any such extension except as a matter of grace and favour. Board may extend time fixed for call
- 28 If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part. Interest on unpaid calls
- 29 No Shareholder shall be entitled to receive any Dividend or other distribution or to be present or vote (save as proxy or authorised representative for another Shareholder) at any general meeting, either personally, or (save as proxy or authorised representative for another Shareholder) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a Shareholder until all calls or instalments due from him to the Company, whether alone or jointly or jointly and severally with any other person, together with interest and expenses (if any) shall have been paid. Suspension of privileges while call unpaid
- 30 On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Shareholder sued is entered in the Register as the holder, or one of the holders, of the Shares in respect of which such debt accrues; that the resolution of the Board making the call has been duly recorded in the minute book of the Board; and that notice of such call was given to the Shareholder sued, in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Evidence in action for call
- 31 (a) Any sum which by the terms of allotment of a Share is made payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and notified and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. Sums payable on allotment deemed a call
- (b) 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. Shares may be issued subject to different conditions as to calls, etc.

- 32 The Board may, if it thinks fit, receive from any Shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any Shares held by him, and in respect of all or any of the moneys so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide but a payment in advance of a call shall not entitle the Shareholder to receive any Dividend subsequently declared or to exercise any other rights or privileges as a Shareholder in respect of the Share or the due portion of the Shares upon which payment has been advanced by such Shareholder before it is called up. The Board may at any time repay the amount so advanced upon giving to such Shareholder not less than one Month's notice in writing of its intention on 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.

TRANSFER OF SHARES

- 33 Subject to the Act, all transfers of Shares shall be effected by a written instrument of transfer in the usual or common form or in such other form as the Board may accept and approve provided always that it shall be in such a form prescribed by the HK Stock Exchange and may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee(s)), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Form of transfer

- 34 The instrument of transfer of any Share shall be executed by or on behalf of the transferor and by or on behalf of the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferor or the transferee or accept mechanically executed transfers in any case in which it in its absolute discretion thinks fit to do so. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any Share by the allottee in favour of some other person.

Execution of transfer

- 35 (a) The Board may, in its absolute discretion at any time and from time to time, remove any Share on the principal Register to any branch Register or any Share on any branch Register to the principal Register or any other branch Register.

Shares registered on principal register, branch register, etc.

- (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 therefore, be entitled in its absolute discretion to give or withhold) no Shares on the principal Register shall be removed to any branch Register nor shall Shares on any branch Register be removed to the principal Register or any other branch Register and all removals and other documents of title relating to or affecting the title to any share or other securities of the Company shall be lodged for registration, and be 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.
- (c) Notwithstanding anything contained in these Articles, the Company shall as soon as practicable and on a regular basis record in the principal Register all removals of Shares effected on any branch Register and shall at all times maintain the principal Register and all branch Registers in all respects in accordance with the Act.

36 Fully paid Shares shall be free from any restriction with respect to the right of the holder thereof to transfer such Shares (except when permitted by the HK Stock Exchange) and shall also be free from all liens. The Board however, may, in its absolute discretion, refuse to register a transfer of any Share which is not fully paid to a person of whom it does not approve or any Share issued under any share option scheme upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register a transfer of any Share (whether fully paid up or not) to more than four joint holders or a transfer of any Shares (not being a fully paid up Share) on which the Company has a lien.

Directors may refuse to register a transfer

37 The Board may also decline to recognise any instrument of transfer unless:

- (a) a fee of such maximum as the HK Stock Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) has been paid to the Company;
- (b) the instrument of transfer is lodged at the relevant Registration Office or, as the case may be, the Transfer Office accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);

Requirement as to transfer

- (c) the instrument of transfer is in respect of only one class of Share;
 - (d) the Shares concerned are free of any lien in favour of the Company; and
 - (e) if applicable, the instrument of transfer is properly stamped.
- 38 The Board may refuse to register a transfer of any Share to an infant or to a person of unsound mind or under other legal disability. No transfer to an infant
- 39 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 and, except where the subject Share is not a fully paid Share, the reason(s) for such refusal. Notice of refusal
- 40 Upon every transfer of Shares, the certificate in respect thereof 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 as provided in Article 12, 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 as provided in Article 12. The Company shall retain the instrument of transfer. Certificate to be given up on transfer
- 41 The registration of transfers may be suspended when the Register is closed in accordance with Article 11(d). When transfer books or register is closed

TRANSMISSION OF SHARES

- 42 In the case of the death of a Shareholder, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any Share solely or jointly held by him. Deaths of registered holder or of joint holder of shares
- 43 Any person becoming entitled to a Share in consequence of the death or bankruptcy or winding-up of a Shareholder may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the Share or to have some person nominated by him registered as the transferee thereof. Registration of personal representatives and trustees in bankruptcy

44 If the person becoming entitled to a Share pursuant to Article 43 shall elect to be registered himself as the holder of such Share, 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 Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the Shareholder had not occurred and the notice or transfer were a transfer executed by such Shareholder.

Notice of election to be registered of nominee

45 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 Article 74 being met, such a person may vote at general meetings of the Company.

Retention of dividends, etc. until transmission of shares of a deceased or bankrupt shareholder

FORFEITURE OF SHARES

46 If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 28, serve notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

If call or instalment not paid notice may be given

47 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 the Registered Office or a Registration Office or another place within the Relevant Territory. The notice shall also state that, in the event of non-payment at or before the appointed time, the Shares in respect of which the call was made will be liable to be forfeited.

Content of notice of call

- 48 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 other distributions declared in respect of the forfeited Share and not actually paid before the forfeiture. The Board may accept the surrender of any Share liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender. If notice not complied with shares may be forfeited
- 49 Any Share so forfeited shall be deemed to be the property of the Company, and may be re-allotted, 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. Forfeited shares to become property of Company
- 50 A person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, nevertheless, 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 forfeited Shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment (including the payment of such interest) at such rate not exceeding 20% per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the Shares at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares. For the purposes of this Article any sum which by the terms of issue of a Share, is payable thereon at a fixed time which is subsequent to the date of forfeiture shall notwithstanding that such time has not yet arrived be deemed to be payable on 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. Arrears to be paid notwithstanding forfeiture
- 51 A certificate in writing that the declarant is a Director or the Secretary, and that a Share has been duly forfeited or surrendered on a date stated in the certificate, 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 re-allotment, sale or disposition thereof and may execute a transfer of the Share in favour of the person to whom the Share is re-allotted, sold or disposed of and such person shall thereupon be registered as the holder of the Share, and shall not be bound to see to the application of the subscription or 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, re-allotment, sale or disposal of such Share. Evidence of forfeiture and transfer of forfeited share

- 52 When any Share shall have been forfeited, notice of the forfeiture shall be given to the Shareholder in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

- 53 Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any Shares so forfeited shall have been re-allotted, sold or otherwise disposed of, cancel the forfeiture on such terms as it thinks fit or permit the Shares so forfeited to be bought back or redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the Shares, and upon such further terms (if any) as it thinks fit.

- 54 The forfeiture of a Share shall not prejudice the right of the Company to any call already made or any instalment payment thereon.

- 55 (a) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by terms of issue of a Share, becomes payable at a fixed time as if the same had been payable by virtue of a call duly made and notified.

- (b) In the event of a forfeiture of Shares the Shareholder shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the Shares so forfeited and in any event the certificates representing Shares so forfeited shall be void and of no further effect.

Notice after forfeiture

Power to redeem forfeited shares

Forfeiture not to prejudice Company's right to call or instalment

Forfeiture for non-payment of any sum due on shares

GENERAL MEETINGS

- 56 At all times during the Relevant Period other than the year of the Company's adoption of these Articles, the Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.

When annual general meeting to be held

App.13 Part B
Para 3(3); 4(2)

57 All general meetings other than annual general meetings shall be called extraordinary general meetings.

Extraordinary general meeting

58 The Board may, whenever it thinks fit, convene an extraordinary general meeting. The Board shall call an extraordinary general meeting if requested in writing to do so by Shareholders entitled to exercise at least ten per cent of the voting rights in respect of the matter for which the meeting is requested. Such request shall be made in writing to the Board for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such request.

Convening of extraordinary general meeting

59 An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and a general meeting of the Company, other than an annual general meeting, shall be called by at least 14 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, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 61), 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 Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

Notice of meetings

- (a) in the case of a meeting called as the annual general meeting, by all the Shareholders entitled to attend, speak and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend, speak and vote at the meeting, being a majority together holding not less than 95% of the total voting rights at the meeting of all Shareholders.

60 (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 proceedings at any such meeting.

Omission to give notice

(b) In the case where forms of proxy or notice of appointment of corporate representative are to be sent out with any notice, the accidental omission to send such forms of proxy or notice of appointment of corporate representative to, or the non-receipt of such forms by, any person entitled to receive notice of the relevant meeting shall not invalidate any resolution passed or any proceeding at any such meeting.

App.13 Part B
Para 3(1)

PROCEEDINGS AT GENERAL MEETINGS

61 (a) All business shall be deemed special that is transacted at an extraordinary general meeting and also all business shall be deemed special that is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

Special
business,
business of
annual general
meeting

- (i) the declaration and sanctioning of Dividends;
- (ii) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheets;
- (iii) the election of Directors in place of those retiring;
- (iv) the appointment of Auditors;
- (v) the fixing of, or the determining of the method of fixing of the remuneration of the Directors and of the Auditors;
- (vi) the granting of any mandate or authority to the Board to offer, allot, issue, grant options over, or otherwise dispose of the unissued Shares; and
- (vii) the granting of any mandate or authority to the Board to repurchase securities of the Company.

62 For all purposes the quorum for a general meeting shall be two Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting.

Quorum

63 If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the Shareholder or the Shareholders present in person (or, in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and entitled to vote shall be a quorum and may transact the business for which the meeting was called.

When quorum
is not present
meeting to be
dissolved and
when to be
adjourned

64 The chairman (if any) of the Company or if he is absent or declines to take the chair at such meeting, the Vice chairman (if any) of the Company shall take the chair at every general meeting, or, if there be no such chairman or Vice chairman, or, if at any general meeting neither of such chairman or Vice 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 Directors present shall choose one of their number as chairman of the meeting, and if no Director be present or if all the Directors present decline to take the chair or if the chairman chosen shall retire from the chair, then the Shareholders present shall choose one of their number to be chairman of the meeting.

chairman of
general meeting

65 The chairman of the meeting may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn 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 an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no notice of an adjournment or of the business to be transacted at any adjourned meeting needs to be given nor shall any Shareholder be entitled to any such notice. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Power to
adjourn general
meeting,
business of
adjourned
meeting

66 At any general meeting a resolution put to the vote of the meeting shall be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution to be voted by a show of hands. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by:

Poll show of
hands and
demand for poll

- (a) at least two Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (b) any Shareholder or Shareholders present in person (or, in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or

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(c) any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares 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.

67 Where a resolution is voted on by a show of hands, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded in favour of or against such resolution.

What is to be evidence of the passing of a resolution

68 A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place as the chairman of the meeting directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. In the event that a poll is demanded after the chairman of the meeting allows a show of hands pursuant to Article 72, the demand for a poll may be withdrawn, with the consent of the chairman of the meeting, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is the earlier.

Poll

69 Any poll on the election of a chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

70 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting 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 of the meeting shall determine the same, and such determination shall be final and conclusive.

chairman to have casting vote

71 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.

Business may proceed notwithstanding demand for poll

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

Amendment of resolutions

VOTES OF SHAREHOLDERS

73 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of Shares, at any general meeting on a poll every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every Share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a Share in advance of calls or instalments shall be treated for the purposes of this Article as paid on the Share), and on a show of hands every Shareholder who is present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall (save as provided otherwise in this Article) have one (1) vote. On a poll a Shareholder entitled to more than one vote need not use all his votes or cast all his votes in the same way. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Shareholder which is a Clearing House (or its nominee(s)), each such proxy shall have one vote on a show of hands and on a poll, each such proxy is under no obligation to cast all his votes in the same way.

Votes of
shareholders

73A Where the Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

74 Any person entitled under Article 45 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.

Votes in respect
of deceased
and bankrupt
shareholders

75 Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such Share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Shareholder, and several trustees in bankruptcy or liquidators of a Shareholder in whose name any Share stands shall for the purposes of this Article be deemed joint holders thereof.

Joint holders

76 A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a poll or on a show of hands, by his committee or receiver, or other person in the nature of a committee or receiver appointed by that court, and any such committee, receiver or other person may vote on a poll by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to such place or one of such places (if any) as is specified in accordance with these Articles for the deposit of instruments of proxy or, if no place is specified, at the Registration Office, not later than the latest time at which an instrument of proxy must, if it is to be valid for the meeting, be delivered.

Votes of shareholders of unsound mind

77 Save as expressly provided in these Articles or otherwise determined by the Board, no person other than a Shareholder duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his Shares shall be entitled to be present or to vote (save as proxy or authorised representative for another Shareholder) whether personally, by proxy or by attorney or to be reckoned in the quorum, at any general meeting.

Qualification for voting

78 No objection shall be raised to the qualification of any person exercising or purporting to exercise a vote or the admissibility of any vote 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 of the meeting, whose decision shall be final and conclusive.

Objections to votes

APPOINTMENT OF PROXY AND CORPORATE REPRESENTATIVE

79 Any Shareholder entitled to attend, speak and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder of the Company. On a poll or a show of hands votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise if it were an individual Shareholder.

Proxies

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80 No appointment of a proxy shall be valid unless it names the person appointed and his appointor. The Board may, unless it is satisfied that the person purporting to act as proxy is the person named in the relevant instrument for his appointment and the validity and authenticity of the signature of his appointor, decline such person's admission to the relevant meeting, reject his vote or, in the event that a poll is demanded after the chairman of the meeting allows a show of hands pursuant to Article 72, his demand for a poll and no Shareholder who may be affected by any exercise by the Board of its power in this connection shall have any claim against the Directors or any of them nor may any such exercise by the Board of its powers invalidate the proceedings of the meeting in respect of which they were exercised or any resolution passed or defeated at such meeting.

81 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.

82 The instrument appointing a proxy and, if requested by the Board, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is specified, at the Registration Office) not less than 48 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 where the meeting was originally held within 12 Months from such date. Delivery of an instrument appointing a proxy shall not preclude a Shareholder from attending and voting in person (or in the case of a Shareholder being a corporation, its duly authorised representative) at the meeting concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Instrument appointing proxy to be in writing

Appointment of proxy must be deposited

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83 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, provided that it shall not preclude the use of the two-way form. Any form issued to a Shareholder for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the Shareholder, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

Form of proxy

84 The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit; 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.

Authority under instrument appointing proxy

85 A vote given in accordance with the terms of an instrument of proxy 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 intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its Registration Office, or at such other place as is referred to in Article 82, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

When vote by proxy valid though authority revoked

86 (a) Any corporation which is a Shareholder may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Shareholders or at any creditors' meeting, and the person so authorised shall be entitled to exercise the same rights and powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder of the Company. References in these Articles to a Shareholder present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a Shareholder represented at the meeting by such duly authorised representative.

Appointment of multiple corporate representatives

- (b) Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 87) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Shareholders or at any creditors' meeting provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to vote individually on a show of hands.

87 Unless the Board agrees otherwise, an appointment of a corporate representative shall not be valid as against the Company unless:

Conditions for
appointment
of corporate
representatives

- (a) in the case of such an appointment by a Shareholder which is a Clearing House (or its nominee(s)), a written notification of the appointment issued by any director, the secretary or any authorised officer(s) of such Shareholder shall have been delivered at such place or one of such places (if any) as is specified in the notice of meeting or in the form of notice issued by the Company, or handed to the chairman of the meeting at the meeting or, if no place is specified, at the principal place of business maintained by the Company in the Relevant Territory from time to time before the time of holding the meeting or adjourned meeting at which the person so authorised proposes to vote or handed to the chairman of the meeting at the meeting; and
- (b) in the case of such an appointment by any other corporate Shareholder, a copy of the resolution of its directors or other governing body of the Shareholder authorising the appointment of the corporate representative or a form of notice of appointment of corporate representative issued by the Company for such purpose or a copy of the relevant power of attorney, together with an up-to-date copy of the Shareholder's constitutive documents and a list of directors or members of the governing body of the Shareholder as at the date of such resolution, or, as the case may be, power of attorney, in each case certified by a director, secretary or a member of the governing body of that Shareholder and notarised, or, in the case of a form of notice of appointment issued by the Company as aforesaid, completed and signed in accordance with the instructions thereon or in the case of a power of attorney a notarised copy of the relevant authority under which it was signed, shall

have been deposited at such place or one of such places (if any) as is specified in the notice of meeting or in the form of notice issued by the Company as aforesaid (or, if no place is specified, at the Registration Office) not less than 48 hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the corporate representative proposes to vote.

- 88 No appointment of a corporate representative shall be valid unless it names the person authorised to act as the appointor's representative and the appointor is also named. The Board may, unless it is satisfied that a person purporting to act as a corporate representative is the person named in the relevant instrument for his appointment, decline such person's admission to the relevant meeting and/or reject his vote or demand for a poll and no Shareholder who may be affected by any exercise by the Board of its power in this connection shall have any claim against the Board or any of them nor may any such exercise by the Board of its powers invalidate the proceedings of the meeting in respect of which they were exercised or any resolution passed or defeated at such meeting.

REGISTERED OFFICE

- 89 The Registered Office of the Company shall be at such place in the British Virgin Islands as the Board shall from time to time decide.

Registered
Office

BOARD OF DIRECTORS

- 90 The number of Directors shall not be less than two (2). The Company shall keep at its Registered Office a register of its directors and officers in accordance with the Act.
- 91 A Director may at any time, by notice in writing signed by him delivered to the Registered Office or at 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. An alternate Director may act as alternate to more than one Director.

Number of
Directors

Alternate
Directors

- 92 (a) An alternate Director shall (subject to his giving to the Company an address, telephone and facsimile number within the territory of the Head Office for the time being for the giving of notices on him and except when absent from the territory in which the Head Office is for the time being situate) be entitled (in addition to his appointor) to receive and (in lieu of his appointor) to waive notices of meetings of the Board and of any committee of the Board of which his appointor is a member and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from 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 or any such committee shall be as effective as the signature of his appointor. His attestation of the affixing of the Seal shall be as effective as the signature and attestation of his appointor. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- (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 ordinary remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (c) A certificate by a Director (including for the purpose of this paragraph (c) an alternate Director) or the Secretary that a Director (who may be the one signing the certificate) was at the time of a resolution of the Directors or any committee thereof absent from the territory of the Head Office or otherwise not available or unable to act or has not supplied an address, telephone and facsimile number within the territory of the Head Office for the purposes of giving of notice to him shall in favour of all persons without express notice to the contrary, be conclusive of the matter so certified.

- 93 A Director or an alternate Director shall not be required to hold any qualification Shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and all meetings of any class of Shareholders of the Company. Share qualification of Directors or alternate Directors
- 94 The Directors shall be entitled to receive by way of ordinary remuneration for their services as Directors such sum as shall from time to time be determined by the Company in general meeting or by the Board, 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 they 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 ordinary remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office. Directors' remuneration
- 95 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. Directors' expenses
- 96 The Board may grant special remuneration to any Director who shall perform or has performed any special or extra services 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. Special remuneration
- 97 Notwithstanding Articles 94, 95 and 96, the remuneration of a managing director, joint managing director, deputy managing director or an executive director or a Director appointed to any other office in the management of the Company may from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director. Remuneration of managing directors, etc.

98 (a) Payments to any Director or past director of the Company 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 of the Company or past director is contractually or statutorily entitled) must be approved by the Company in general meeting.

Payments for
compensation
for loss of office

(b) Except as would, if the Company were a company incorporated in Hong Kong, be permitted by the Companies Ordinance as in force at the date of adoption of these Articles, and except as permitted under the Act, the Company shall not directly or indirectly:

Loans to
Directors

(i) make a loan to a Director or a director of any Holding Company of the Company or any of their respective Close Associates;

(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any Holding Company of the Company or any of their respective Close Associates; or

(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(c) Article 98(a) and (b) shall only apply during the Relevant Period.

99 A Director shall vacate his office:

When office of
Director to be
vacated

(a) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or

(b) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated; or

(c) 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 pass a resolution that he has by reason of such absence vacated his office; or

- (d) if he becomes prohibited by law from acting as a Director, or he ceases to be a Director by virtue of any provision of law or is removed from office pursuant to these Articles; or
- (e) if he has been validly required by the stock exchange of the Relevant Territory to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or
- (f) if by notice in writing delivered to the Company at its Registered Office or at the Head Office or tendered at a meeting of the Board he resigns his office; or
- (g) if he shall be removed from office by an Ordinary Resolution of the Company under Article 108.

100 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.

101 (a) 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 any member or so interested be liable to account to the Company for any profit so 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, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company.

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Directors'
interests

- (b) 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 between the Company and the Director) no such Director shall be liable to account to the Company or the Shareholders 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 Directors 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 in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, managing directors, joint managing directors, deputy managing director, 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, or is about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in the manner aforesaid.
- (c) A Director may hold any other office or place of profit with the Company (except that of Auditors) 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 profit 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 Articles.
- (d) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his Close Associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:
- (i) the giving of any security or indemnity either:
- (A) to the Director or his Close Associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

- (B) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his Close Associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his Close Associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (A) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his Close Associate(s) may benefit; or
 - (B) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his Close Associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his Close Associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (iv) any contract or arrangement in which the Director or his Close Associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (e) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not prohibited from voting under paragraph (d)) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

- (f) 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 his Close Associates or as to the entitlement of any Director (other than the chairman of the meeting) 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 or his Close Associates concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or his Close Associates such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his Close Associates as known to him has not been fairly disclosed to the Board.
- (g) A Director shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors.

APPOINTMENT AND ROTATION OF DIRECTORS

- 102 (a) Notwithstanding any other provisions in these Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.
- (b) The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Rotation and
retirement of
Directors

(c) A Director is not required to retire upon reaching any particular age.

103 If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:

Retiring
Directors to
remain in office
until successors
appointed

(a) it shall be determined at such meeting to reduce the number of Directors; or

(b) it is expressly resolved at such meeting not to fill such vacated offices; or

(c) in any such case the resolution for re-election of a Director is put to the meeting and lost; or

(d) such Director has given notice in writing to the Company that he is not willing to be re-elected.

104 The Company in general meeting may from time to time fix and may from time to time by Ordinary Resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall not be less than two (2).

Power of
general meeting
to increase or
reduce number
of Directors

105 The Company may from time to time in general meeting by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 102.

Appointment of
Directors

106 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

App.3
Para 4(2)

App.3
Para 4(4); 4(5)

107 No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. The period for lodgement of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

Notice of proposed Director to be given

App.3
Para 4(3)
App.13 Part B
Para 5(1)

108 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 Articles 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 by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 102.

Power to remove Director by Ordinary Resolution

BORROWING POWERS

109 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 assets, undertaking, property and any part thereof.

Power to borrow

110 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 but subject to the provisions of the Act, by the issue of debentures, 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.

Conditions on which money may be borrowed

111 Debentures, bonds and other securities (other than Shares which are not fully paid) may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Assignment of debentures etc.

112 Any debentures, bonds or other securities (other than Shares) may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment or subscription of or conversion into Shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

Special privileges of debentures etc.

113 The Directors shall cause a proper register to be kept, in accordance with the provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the Act with regard to the registration of mortgages and charges as may be specified or required.

Register of charges to be kept

114 If the Company issues a series of debentures not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.

Register of debentures

MANAGING DIRECTORS, ETC.

115 The Board may from time to time appoint any one or more of them 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 Article 97.

Power to appoint managing directors, etc.

116 Every Director appointed to an office under Article 115 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.

Removal of managing directors, etc.

117 A Director appointed to an office under Article 115 shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Cessation of appointment

118 The Board may from time to time entrust to and confer upon a chairman, vice 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, subject to the terms thereof, 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.

Power may be delegated

119 The Board may from time to time appoint any person to an office or employment having a designation or title including the word “director” or attach to any existing office or employment with the Company such a designation or title. The inclusion of the word “director” in the designation or title of any office or employment with the Company (other than the office of managing director or joint managing director or deputy managing director or executive director) shall not imply that the holder thereof is a Director nor shall such holder be empowered in any respect to act as a Director or be deemed to be a Director for any of the purposes of these Articles.

MANAGEMENT

120 The business of the Company shall be managed by the Board who, in addition to the powers and authorities by these Articles 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 Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Act and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. For the purposes of Section 175 (Disposition of assets) of the Act, the Board may determine that any sale, transfer, lease, exchange or other disposition is in the usual or regular course of the business carried on by the Company and such determination is, in the absence of fraud, conclusive.

General powers
of Company
vested in
Directors

121 Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:

- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any Share at par or at such premium and on such other terms as may be agreed; and
- (b) to give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

MANAGERS

- 122 The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company. Appointment and remuneration of managers
- 123 The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit. Terms of office and powers
- 124 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 it may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company. Terms and conditions of appointment

CHAIRMAN AND OTHER OFFICERS

- 125 The Board may from time to time elect or otherwise appoint one of them to the office of chairman of the Company and another to be the vice chairman of the Company (or two or more vice Chairmen) and determine the period for which each of them is to hold office. The chairman of the company or, in his absence, the vice chairman of the Company shall preside as chairman at meetings of the Board, but if no such chairman or vice chairman be elected or appointed, or if at any meeting the chairman or vice chairman is not present within five minutes after the time appointed for holding the same and willing to act, the Directors present shall choose one of their number to be chairman of such meeting. All the provisions of Articles 97, 102, 116, 117 and 118 shall *mutatis mutandis* apply to any Directors elected or otherwise appointed to any office in accordance with the provisions of this Article. chairman, vice chairman and officers

PROCEEDINGS OF THE DIRECTORS

126 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum separately in respect of himself (if a Director) and in respect of each Director for whom he is an alternate and his voting rights shall be cumulative and he need not use all his votes or cast all his votes in the same way. 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 and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

Meeting of
Directors,
quorum, etc.

127 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, but 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 in person orally or in writing or by telephone or by telex or telegram or facsimile transmission at the telephone or facsimile number or address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine. A Director absent or intending to be absent from the territory in which the Head Office is for the time being situate may request the Board or the Secretary that notices of Board meetings shall during his absence be sent in writing to him at his last known address, facsimile or telex number or any other address, facsimile or telex number given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to the other Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from such territory.

Convening of
Meetings of
Directors

128 Subject to Article 101, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the chairman of the meeting shall have a second or casting vote.

How questions
to be decided

129 A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.

Powers of
meeting

- 130 Subject to the Act, the Board may delegate any of its powers to committees consisting of such member(s) of them and such other person(s) as it thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board. Power to appoint committee and to delegate
- 131 All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company. Act of committee to be of same effect as acts of Directors
- 132 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 Article 130. Proceedings of committee
- 133 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. When acts of Directors or committee to be valid
- 134 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 Articles as the necessary quorum of the Board meeting, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number of the necessary quorum or of summoning a general meeting of the Company but for no other purpose. Directors' powers when vacancies exist
- 135 (a) A resolution in writing signed by all the Directors (or their respective alternate Directors) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolutions in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors. Directors' resolutions

- (b) Where a Director is, on the date on which a resolution in writing is last signed by a Director, absent from the territory in which the Head Office is for the time being situated, or cannot be contacted at his last known address or contact telephone or facsimile number, or is temporarily unable to act through ill-health or disability and, in each case, his alternate (if any) is affected by any of these events, the signature of such Director (or his alternate) to the resolution shall not be required, and the resolution in writing, so long as such a resolution shall have been signed by at least two Directors or their respective alternates who are entitled to vote thereon or such number of Directors as shall form a quorum, shall be deemed to have been passed at a meeting of the Board duly convened and held, provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors (or their respective alternates) for the time being entitled to receive notices of meetings of the Board at their respective last known address, telephone or facsimile number or, if none, at the Head Office and provided further that no Director is aware of or has received from any Director any objection to the resolution.
- (c) A certificate signed by a Director (who may be one of the signatories to the relevant resolution in writing) or the Secretary as to any of the matters referred to in paragraph (a) or (b) of this Article shall in the absence of express notice to the contrary of the person relying thereon, be conclusive of the matters stated on such certificate.

MINUTES AND CORPORATE RECORDS

- 136 (a) The Board shall cause minutes to be made of:
- (i) all appointments of officers made by it;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 130; 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.

Minutes of
proceedings of
meetings and
Directors

SECRETARY

137 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, without prejudice to his right under any contract with the Company, be removed by the Board. Anything by the Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically on behalf of the Board.

Appointment of Secretary

138 The Secretary shall attend all meetings of the Shareholders and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act and these Articles, together with such other duties as may from time to time be prescribed by the Board.

Duties of the Secretary

139 A provision of the Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

Same person not to act in two capacities at once

GENERAL MANAGEMENT AND USE OF THE SEAL

140 (a) Subject to the Act, the Company shall have one or more Seals as the Board may determine, and may have a Seal for use outside the British Virgin Islands. The Board shall provide for the safe custody of each Seal, and no Seal shall be used without the authority of the Board or a committee authorised by the Board in that behalf.

Custody of Seal

(b) Every instrument to which a Seal shall be affixed shall be signed autographically by one Director and the Secretary, or by two Directors, or by any person or persons (including a Director and/or the Secretary) appointed by the Board for the purpose, provided that as regards any certificates for Shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person.

Use of Seal

(c) The Company may have a Securities Seal for use for sealing certificates for shares or other securities issued by the Company and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such Securities Seal is affixed shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid. The Board may by resolution determine that the affixation of Securities Seal on certificates for shares or other securities issued by the Company be dispensed with or be affixed by printing the image of the Securities Seal on such certificates.

Securities Seal

141 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.

Cheques
and banking
arrangements

142 (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 Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Power to
appoint attorney

(b) The Company may, by writing under its 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 duly affixed by the Company.

Execution
of deeds
by attorney

143 The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit Shares), with power to sub-delegate, and may authorise the members of any regional or local board or any of them to fill any vacancies therein and to act notwithstanding 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.

Regional or
local boards

144 The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or personal pension plans 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 employment.

Power to
establish
pension funds

AUTHENTICATION OF DOCUMENTS

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

Power to
authenticate

DIVIDENDS

- 146 The Board may from time to time declare and pay Dividends in any currency if they are satisfied, on reasonable grounds, that, immediately after the Dividend the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due. A resolution of the Board passed or adopted under this Article shall contain a statement that, in the opinion of the Directors, the Company will, immediately after the Dividend, satisfy the solvency test.
- 147 Notice of the declaration of a Dividend shall be given in such manner as the Board shall determine.

Power to declare
dividends

Notice of
interim dividend

148 No Dividend or other moneys payable on or in respect of a Share shall bear interest as against the Company.

No interest on dividend

149 Whenever the Board has resolved that a Dividend be paid or declared, the Board may further resolve that such Dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, or in any one or more of such ways, with or without offering any rights to Shareholders to elect to receive such Dividend in cash, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Shareholders upon the footing of the value so fixed in order to adjust the rights of all parties and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the Shareholders concerned, and may vest any such specific assets in trustees as may seem expedient to the Board and may authorise any person to sign any requisite instruments of transfer and other documents on behalf of all Shareholders interested in the Dividend and such instrument and document shall be effective. The Board may further authorise any person to enter into on behalf of all Shareholders having an interest in any agreement with the Company or other(s) providing for such Dividend and matters in connection therewith and any such agreement made under such authority shall be effective. The Board may resolve that no such assets shall be made available or made 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 or the legality or practicality of which may be time consuming or expensive to ascertain whether in absolute terms or in relation to the value of the holding of Shares of the Shareholder concerned and in any such event the only entitlement of the Shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of exercise by the Board of its discretion under this Article shall not be, and shall be deemed not to be, a separate class of Shareholders for any purposes whatsoever.

Dividend in specie

150 (a) Whenever the Board has resolved that a Dividend be paid or declared on the Shares, the Board may further resolve, either:

(i) that such Dividend be satisfied wholly or in part in the form of an allotment of Shares credited as fully paid on the basis that the Shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the Shareholders entitled thereto will be entitled to elect to receive such Dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:

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

(B) the Board, after determining the basis of allotment, shall give not less than 14 clear days' 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;

(C) the right of election may be exercised in respect of the whole or part of that portion of the Dividend in respect of which the right of election has been accorded; and

(D) Dividend (or that part of the Dividend to be satisfied by the allotment of Shares as aforesaid) shall not be payable in cash in respect whereof the cash election has not been duly exercised ("the non-elected Shares") and in lieu of cash and in satisfaction thereof Shares shall be allotted credited as fully paid to the holders of the non-elected Shares on the basis of allotment determined as aforesaid;

or

(ii) that Shareholders entitled to such Dividend will 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 on the basis that the Shares so allotted shall be of the same class or classes as the class or classes of Shares already held by the allottee. In such case, the following provisions shall apply:

- (A) the basis of any such allotment shall be determined by the Board;
 - (B) the Board, after determining the basis of allotment, shall give not less than 14 clear days' 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;
 - (C) the right of election may be exercised in respect of the whole or part of that portion of the Dividend in respect of which the right of election has been accorded; and
 - (D) the Dividend (or that part of the Dividend in respect of which a right of election has been accorded) shall not be payable on Shares in respect whereof the Share election has been duly exercised ("the elected Shares") and in lieu of cash and in satisfaction thereof Shares shall be allotted credited as fully paid to the holders of the elected Shares on the basis of allotment determined as aforesaid.
- (b) The Shares allotted pursuant to the provisions of paragraph (a) of this Article shall rank *pari passu* in all respects with the Shares then in issue and held by the allottee in respect of which they were allotted, 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 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 (a)(i) or (a)(ii) of paragraph (a) of this Article in relation to the relevant Dividend or contemporaneously with its announcement of the distribution or rights in question, the Board shall have specified that the Shares to be allotted pursuant to the provisions of paragraph (a) of this Article shall rank for participation in such distribution or rights.

- (c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) of this Article with full power to the Board to make such provisions as it thinks fit in the case of Shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Shareholders concerned), and no Shareholders who will be affected thereby shall be, and they shall be deemed not to be, a separate class of Shareholders by reason only of the exercise of this power. The Board may authorise any person to enter into on behalf of all Shareholders interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (d) Whenever the Board has resolved that a Dividend be paid or declared on the Shares, the Board may further resolve that such Dividend be satisfied wholly in the form of an allotment of Shares credited as fully paid without offering any right to Shareholders to elect to receive such Dividend in cash in lieu of such allotment.
- (e) The Board may on any occasion determine that rights of election and the allotment of Shares under paragraph (a) of this Article shall not be made available or made to any Shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of Shares would or might be unlawful or impracticable or the legality or practicability of which may be time consuming or expensive to ascertain whether in absolute terms or in relation to the value of the holding of Shares of the Shareholder concerned, and in such event the provisions aforesaid shall be read and construed subject to such determination and no Shareholder who may be affected by any such determination shall be, and they shall be deemed not to be, a separate class of Shareholders for any purposes whatsoever.

- 151 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 (including in the repurchase by the Company of its own securities or the giving of any financial assistance for the acquisition of its own securities) 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. Reserves
- 152 Unless and to the extent that the rights attached to any Shares or the terms of issue thereof otherwise provide, all Dividends shall (as regards any Shares not fully paid throughout the period in respect of which the Dividend is paid) be apportioned and paid pro rata according to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the Dividend is paid. For the purposes of this Article no amount paid on a Share in advance of calls pursuant to Article 32 shall be treated as paid on the Share. Dividends to be paid in proportion to paid up amount on the Shares
- 153 (a) The Board may retain any Dividends or other moneys payable on or in respect of a Share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends, etc.
- (b) The Board may deduct from any Dividends or other money payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise. Deduction of debts
- 154 A transfer of Shares shall not, as against the Company but without prejudice to the rights of the transferor and transferee inter se, pass the right to any Dividend or other distribution declared thereon before the registration of the transfer. Effect of transfer

155 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 and other moneys payable and rights and other distributions in respect of such Shares.

Receipt for dividends by joint holders of share

156 Unless otherwise directed by the Board, any Dividends or other moneys payable or rights or other distributions in respect of any Share may be paid or satisfied by cheque or warrant or certificate or other documents or evidence of title sent through the post to the registered address of the Shareholder entitled, or, in the 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, warrant, certificate or other document or evidence of title so sent shall be made payable to the order of the person to whom it is sent or, in the case of certificates or other documents or evidence of title as aforesaid, in favour of the Shareholder(s) entitled thereto, and the payment on any such cheque or warrant by the banker upon whom it is drawn shall operate as a good discharge to the Company in respect of the Dividends and/or other moneys represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Every such cheque, warrant, certificate or other document or evidence of title as aforesaid shall be sent at the risk of the person entitled to the Dividends, money, rights and other distributions represented thereby.

Payment by post

157 All Dividends or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for one year after having been declared by the Company until claimed and, notwithstanding any entry in any books of the Company may be invested or otherwise made use of by the Board for the benefit of the Company or otherwise howsoever, and the Company shall not be constituted a trustee in respect thereof. All Dividends or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company and, in the case where any of the same are securities of the Company, may be re-allotted or re-issued for such consideration as the Board thinks fit and the proceeds thereof shall accrue to the benefit of the Company absolutely.

Unclaimed Dividend

App.3
Para 3(2)

RECORD DATE

158 Subject to the Listing Rules, any resolution declaring a Dividend or other distribution 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 made to the persons registered as the holder of such Shares at the close of business on a particular date or at a particular time on a particular date, and thereupon the Dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such Dividend or other distribution between the transferors and transferees of any such Shares. The provisions of this Article shall *mutatis mutandis* apply to determining the Shareholders entitled to receive notice and vote at any general meeting of the Company, bonus Shares issues, capitalisation issues, distributions of realised and unrealised capital profits or other distributable reserves or accounts of the Company and offers or grants made by the Company to the Shareholders.

Record dates

ANNUAL RETURNS

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

Annual Returns

ACCOUNTS

160 The Board shall keep records that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

Accounts to be kept

161 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.

Where accounts to be kept

162 No Shareholder (not being a Director) or other person shall have any right of inspecting any account or book or document of the Company except as conferred by the Act or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

Inspection by shareholders

163 (a) The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting profit and loss accounts and balance sheets of the Company and such other reports and documents as may be required by law and the Listing Rules. The accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Accounting Standards, or such other standards as may be permitted by the HK Stock Exchange.

Annual profit
and loss account
and balance
sheet

- (b) Subject to paragraph (c) below, a copy of every balance sheet and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report thereon, shall, not less than 21 days before the date of the meeting be delivered or sent by post together with the notice of annual general meeting to every Shareholder of the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of these Articles, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any Shares, but any Shareholder to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the Shares or other securities of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange or market, there shall be forwarded to such stock exchange or market such number of copies of such documents as may for the time being be required under its regulations or practice.
- (c) Subject to the Listing Rules, the Company may send summarised financial statements to Shareholders who has, in accordance with the Listing Rules, consented and elected to receive summarised financial statements instead of the full financial statements. The summarised financial statements must be accompanied by any other documents as may be required under the Listing Rules and must be sent to the Shareholders not less than 21 days before the general meeting to those Shareholders that have consented and elected to receive the summarised financial statements.

Annual report
of Directors and
balance sheet
to be sent to
shareholders

AUDITORS

- 164 (a) The Company shall at each annual general meeting by way of Ordinary Resolution appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by or on the authority of the Company in the annual general meeting except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.
- (b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by Special Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.

Appointment of Auditors

- 165 The Auditors of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information as may be necessary for the performance of his or their duties, and the Auditors shall audit every balance sheet and profit and loss account of the Company in each year and prepare an Auditors' report thereon to be annexed thereto. Such report shall be laid before the Company in the annual general meeting.

Auditors to have right of access to books and accounts

NOTICES

- 166 (a) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Articles shall be in writing or, to the extent permitted by the Act and the Listing Rules from time to time and subject to this Article, contained in an electronic communication. A notice calling a meeting of the Board need not be in writing.

Service of notices

- (b) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Articles (including any corporate communications within the meaning ascribed thereto under the Listing Rules) may be served on or delivered to any Shareholder either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such Shareholder at his registered address as appearing in the register or by leaving it at that address addressed to the Shareholder or by any other means authorised in writing by the Shareholder concerned or (other than share certificate) by publishing it by way of advertisement in the Newspapers. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Act and the Listing Rules, a notice or document may be served or delivered by the Company to any Shareholder by electronic means to such address as may from time to time be authorised by the Shareholder concerned or by publishing it on a website and notifying the Shareholder concerned that it has been so published.
- (c) Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.
- (d) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Head Office or Registered Office.
- (e) The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.

- 167 (a) Any Shareholder whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the Shareholder is outside the Relevant Territory, notice, if given through the post, shall be sent by prepaid airmail letter where available.
- (b) Any Shareholder who fails (and, where a Share is held by joint holders, where the first joint holder named on the register fails) to supply his registered address or a correct registered address to the Company for service of notices and documents on him shall not (and where a Share is held by joint holders, none of the other joint holders whether or not they have supplied a registered address shall) be entitled to service of any notice or documents by the Company and any notice or document which is otherwise required to be served on him may, if the Board in its absolute discretion so elects (and subject to them re-electing otherwise from time to time), be served, in the case of notices, by displaying a copy of such notice conspicuously at the Registered Office and the Head Office or, if the Board sees fit, by advertisement in the Newspapers, and, in the case of documents, by posting up a notice conspicuously at the Registered Office and the Head Office addressed to such Shareholder which notice shall state the address within the Relevant Territory at which he served in the manner so described which shall be sufficient service as regards Shareholders with no registered or incorrect addresses, provided that nothing in this paragraph (b) shall be construed as requiring the Company to serve any notice or document on any Shareholder with no or an incorrect registered address for the service of notice or document on him or on any Shareholder other than the first named on the register of members of the Company.
- (c) If on three consecutive occasions notices or other documents have been sent through the post to any Shareholder (or, in the case of joint holders of a share, the first holder named on the register) at his registered address but have been returned undelivered, such Shareholder (and, in the case of joint holders of a Share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Board may elect otherwise pursuant to paragraph (b) of this Article) and shall be deemed to have waived the service of notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new registered address for the service of notices on him.

168 Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was so left. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the Shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice or other document published by way of advertisement or on a website shall be deemed to have been served or delivered on the day it was so published.

When notice deemed to be served

169 A notice or document may be given by the Company to the person entitled to a Share in consequence of the death, mental disorder, bankruptcy or liquidation of a Shareholder by sending it through the post in a prepaid envelope or wrapper addressed to him by name, or by the title of representative of the deceased, the trustee of the bankrupt or the liquidator of the Shareholder, 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 or document in any manner in which the same might have been given if the death, metal disorder, bankruptcy or winding up had not occurred.

Service of notice to persons entitled on death, mental disorder or bankruptcy

170 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 served to the person from whom he derives his title to such share.

Transferee to be bound by prior notices

171 Any notice or document delivered or sent by post to, or left at the registered address of any Shareholder in pursuance of these Articles, shall notwithstanding that such Shareholder be then deceased, bankrupt or wound up and whether or not the Company has notice of his death, bankruptcy or winding up, be deemed to have duly served in respect of any registered Shares whether held solely or jointly with other persons by such Shareholder until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such Shares.

Notice valid though shareholder deceased, bankrupt

172 The signature to any notice or document to be given by the Company may be written or printed.

How notice to be signed

INFORMATION

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

Shareholders not entitled to information

WINDING UP

174 Subject to the Act, a resolution that the Company be wound up by the Court or be wound up voluntarily shall be passed by way of a Special Resolution.

Modes of winding up

175 If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the Shareholders in proportion to the amount paid up on the Shares held by them respectively.

Distribution of assets in winding up

UNTRACEABLE SHAREHOLDERS

176 The Company may exercise the power to cease sending cheques for Dividend entitlements or Dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

Company ceases sending Dividends warrants etc.

App.3
Para 13(1)

177 (a) The Company shall have the power to sell, in such manner as the Board thinks fit, any Shares of a Shareholder who is untraceable, but no such sale shall be made unless:

- (i) during the period of 12 years prior to the date of the advertisements referred to in sub-paragraph (ii) below (or, if published more than once, the first thereof) at least three Dividends or other distributions in respect of the Shares in question have become payable or been made and no Dividend or other distribution in respect of the Shares during that period has been claimed;
 - (ii) the Company has caused an advertisement to be inserted in the Newspapers of its intention to sell such Shares and a period of three months has elapsed since the date of such advertisement (or, if published more than once, the first thereof);
 - (iii) the Company has not at any time during the said periods of 12 years and three months received any indication of the existence of the holder of such Shares or of a person entitled to such Shares by death, bankruptcy or operation of law; and
 - (iv) the Company has notified the HK Stock Exchange of its intention of such sale.
- (b) To give effect to any such sale the Board may authorise any person to transfer the said Shares and the instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such Shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such proceeds it shall become indebted to the former Shareholder for an amount equal to such net proceeds. Notwithstanding any entries made by the Company in any of its books or otherwise howsoever, no trusts shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Shareholder holding the Shares sold is dead, bankrupt, wound up or otherwise under any legal disability or incapacity.

INDEMNIFICATION

- 178 Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who: Indemnity
- (i) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a Director; or
 - (ii) is or was, at the request of the Company, serving as a Director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise.
- 179 The indemnity in the Article 178 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.
- 180 The decision of the Directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.
- 181 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
- 182 The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

DESTRUCTION OF DOCUMENTS

183 The Company may destroy:

Destruction of
documents

- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (b) any distribution mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date on which such mandate, variation, cancellation or notification was recorded by the Company;
- (c) any instrument of transfer of Shares which has been registered at any time after the expiry of six years from the date of registration;
- (d) any other document, on the basis of which any entry in the Register is made, at any time after the expiry of six years from the date on which an entry in the Register was first made in respect of it;

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

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Article to the destruction of any document include reference to its disposal in any manner.

CONTINUATION

184 Subject to the Act, the Company may by Special Resolution continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.