

**ARTICLES OF ASSOCIATION**

OF

**SINOTRUK (HONG KONG) LIMITED**

**中國重汽(香港)有限公司**

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Incorporated on 31st day of January 2007

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*(Change of name on 12th day of March 2007)*

*(As adopted by special resolution passed on 29th day of June 2015)*

**HONG KONG**

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**SPECIAL RESOLUTION**

**OF**

**SKYPOND INTERNATIONAL LIMITED**

**普偉國際有限公司**

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Passed on the 5th day of March 2007

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By a Written Resolution of the sole shareholder of SKYPOND INTERNATIONAL LIMITED ("the Company") passed on the 5th day of March 2007 pursuant to Section 116B of the then Companies Ordinance, the following resolution was passed as Special Resolution of the Company:-

"Subject to the approval of the Registrar of the Companies, the name of the Company be changed to " **SINOTRUK (HONG KONG) LIMITED 中國重汽(香港)有限公司** " with effect from the date of issue of the relevant certificate of incorporation on change of name."

For and on behalf of  
**SINOTRUK (BVI) LIMITED**  
中國重汽(維尔京群島)有限公司

(Sd.) MA CHUNJI

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MA CHUNJI

Shareholder

**THE COMPANIES ORDINANCE (Chapter 622)**

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Public Company Limited by Shares

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**ARTICLES OF ASSOCIATION**

*(As adopted by Special Resolution passed on 29th day of June 2015)*

OF

**SINOTRUK (HONG KONG) LIMITED**  
**中國重汽(香港)有限公司**

*(Formerly SKYPOND INTERNATIONAL LIMITED)*  
*(前稱普偉國際有限公司)*

**1. Name of the Company**

The name of the Company is “SINOTRUK (HONG KONG) LIMITED (中國重汽(香港)有限公司)”.

**2. Capacity and powers of the Company**

The Company has the capacity and the rights, powers and privileges of a natural person.

**3. Liability of the Members**

The liability of the members of the Company is limited. The liability of the members of the Company is limited to any amount unpaid on the shares held by the members.

**4. Disapplication of Model Articles**

The regulations in Schedule 1 (Model Articles for Public Companies Limited by Shares) to the Companies (Model Articles) Notice shall not apply to the Company.

## INTERPRETATION

### 5. Interpretation

- (1) In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column of the table:

WORDS	MEANINGS
appointment	: includes election (and appoint includes elect);
Articles	: these articles of association, as adopted, or as from time to time supplementary, amended or substituted articles for the time being in force;
associate	: has the same meaning given by the Listing Rules;
Auditors	: the external auditors for the time being of the Company;
Board	: the board of Directors from time to time of the Company or the Directors present at a meeting of the Directors at which a quorum is present;
Business Day(s)	: any day(s) on which the Stock Exchange is open for business of dealing in securities;
Chairman	: the chairman of the Company;
clear days	: in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
close associate	: shall have the meaning given by the Listing Rules;
communication	: includes a communication comprising sounds or images or both and a communication effecting a payment;
Company	: the abovenamed company;
connected entity	shall have the meaning given by section 486 of the Ordinance;
Directors	: the directors for the time being of the Company;

electronic communication	:	a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa) by means of a telecommunications system (within the meaning of the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong) or by other means but while in an electronic form;
holder	:	in relation to any share means the member whose name is entered in the Register as the holder of that share;
Hong Kong	:	the Hong Kong Special Administrative Region of the People's Republic of China;
in writing	:	written, printed, typewritten or telexed or transmitted by facsimile, or visibly expressed in any other mode of representing or reproducing words, or partly one and partly another;
Listing Rules	:	Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
month	:	calendar month;
Office	:	the registered office for the time being of the Company;
Ordinance	:	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance;
paid up	:	includes credited as paid up;
President	:	the president of the Company;
Register	:	the register of members of the Company (including any branch register kept in accordance with the Statutes);
reporting documents	:	reporting documents as defined under the Ordinance;
Seal	:	the common seal of the Company or any official seal that the Company may have in accordance with the Ordinance;

Secretary	:	the secretary of the Company or, if there are joint secretaries, any of the joint secretaries and includes an assistant or deputy secretary and any person appointed by the Board to perform any of the duties of the secretary of the Company;
SFO	:	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
Statutes	:	the Ordinance and every other ordinance for the time being in force;
Stock Exchange	:	The Stock Exchange of Hong Kong Limited;
summary financial report	:	reporting documents as defined under the Ordinance; and
Vice-president	:	the vice-president of the Company.

- (2) Subject as aforesaid and unless the context otherwise requires, any words defined in the Statutes shall bear the same meaning in these Articles.
- (3) Unless inconsistent with the subject or context, words importing the singular number shall include the plural number and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include corporations and bodies of persons.
- (4) References in these Articles to writing include references to any method of representing or reproducing words in a legible and non-transitory form.
- (5) An ordinary resolution shall be effective for any purpose other than a special resolution is expressed to be required under any provision of these Articles and the Statutes.
- (6) References in these Articles to any statutory provision shall be construed as including references to:
- (a) any statutory modification or re-enactment thereof;
  - (b) all subsidiary legislation, regulations or orders made pursuant thereto; and
  - (c) any statutory provisions of which such statutory provision is a re-enactment or modification.
- (7) The headings to these Articles are inserted for convenience only and shall not affect construction.

## **REGISTERED OFFICE**

### **6. Office**

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

7. **Rights attached to new shares**

Subject to the Statutes and without prejudice to the rights and privileges attached to any then existing shares in the capital, any share may be issued with or have attached to it such rights (including preferred, deferred or other special rights) or restrictions (whether with regard to dividends, voting, return of capital or otherwise), and such other terms and conditions, as the Company may by ordinary resolution decide or, if no such resolution is in effect or so far as the resolution does not make any specific provision, as the Board may decide.

8. **Shares at the disposal of the Board**

Subject to the Statutes, these Articles, any resolution of the Company and, where applicable, the rules of the Stock Exchange and government policies and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the Board may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of them to such persons, at such times and generally on such terms as the Board may determine. Neither the Company nor the Board shall be obliged, when making or granting any allotment, offer, option or shares to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

9. **Allotments etc. of shares**

The Company shall duly comply with any provisions of the Statutes regarding the allotment, issue and paying up of shares.

10. **Power to issue redeemable shares and warrants**

- (1) Subject to the Statutes and the Listing Rules, any share may be issued on term is that it is to be redeemed or is liable to be redeemed at the option of the Company or the holder.
- (2) The Company may issue warrants, convertible securities or other rights and grant options to subscribe for any class of shares or securities of the Company with any rights or restrictions attached to them and on such terms as the Board may determine.

11. **Power to pay commission and brokerage**

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

12. **Exclusion of equities**

Except as otherwise required by the Statutes or these Articles and notwithstanding any information received by the Company, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the registered holder.

### **ALTERATION OF CAPITAL**

13. **Power to consolidate, sub divide and cancel shares**

- (1) Subject to the Statutes, applicable laws, rules, regulations and government policies, the Company may, from time to time, by ordinary resolution alter its share capital in any one or more of the ways set out in section 170 of the Ordinance.
- (2) If as a result of any consolidation and division of shares any members would become entitled to fractions of a share, the Board may deal with the fractions as it thinks fit, In particular, the Board may (on behalf of those members) aggregate and sell the shares representing the fractions to any person and distribute the net proceeds of sale in due proportion among those members and the Board may authorise a person to transfer the shares to, or as directed by, the purchaser, who shall not be bound to see to the application of the purchase money and the title of the new holder to the shares shall not be affected by any irregularity in or invalidity of the proceedings relating to the sale.
- (3) Anything done in pursuance of this Article shall be done in any manner provided, and subject to any conditions imposed, by the Statutes, so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same, and, so far as such resolution shall not be applicable, in such manner as the Board deems most expedient.

14. **Reduction of capital**

Subject to the provisions of the Statutes and these Articles, the Company may, by special resolution, reduce its share capital or any other undistributable reserve in any way.

### **PURCHASE OF OWN SHARES AND WARRANTS**

15. **Power to purchase shares and warrants**

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



## VARIATION OF RIGHTS

### 16. Variation of rights

- (1) Whenever the capital of the Company is divided into different classes of shares, all or any of the special rights or privileges for the time being attached to the shares or any class may, unless otherwise provided by the terms of issue of the shares of that class be, subject to the provisions of the Ordinance, varied, modified or abrogated, either with the consent in writing of holders representing at least 75% of the total voting rights of holders of the issued shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise), and may be so varied, modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up.
- (2) The provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall apply, mutatis mutandis, to every such separate general meeting except that:
  - (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be 2 or more persons (or in the case of a member being a corporation, its duly authorised representative) holding or representing by proxy holding at least one-third of the total voting rights of holders of the issued shares in the class;
  - (b) at an adjourned meeting the necessary quorum shall be 1 person (or in the case of a member being a corporation, its duly authorised representative) holding shares in the class or his proxy; and
  - (c) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.
- (3) The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of those shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* with them.
- (4) For the purposes of this provision any particular issue of shares not carrying the same rights (whether as to rate of dividend, redemption or otherwise) as any other shares for the time being in issue, shall be deemed to constitute a separate class of share.

## CERTIFICATES

### 17. Issue of certificates

- (1) Subject to the Statutes, every person, except any person in respect of which the Company is not by law required to complete and have ready for delivery a certificate, whose name is entered in the Register as a holder of any shares shall be entitled, without payment, to receive 2 months after allotment or within 10 Business Days after lodgement of a transfer (or such other period prescribed by the Stock Exchange from time to time) to him of those shares, duly stamped and otherwise valid, (or within such other period as the conditions of issue may provide) one certificate for all his shares in any particular class or several certificates each for one or more of the shares of the class in question upon payment for every certificate after the first of such sum (if any) not exceeding the maximum amount prescribed by the Stock Exchange from time to time, provided that:

- (a) in the event of a member transferring all or part of the shares represented by a certificate in his name, the certificate held by the transferor shall be given up to be cancelled, and shall forthwith cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him and in case of a partial transfer, also in respect of the balance thereof upon payment of such sum (if any) not exceeding the maximum amount prescribed by the Stock Exchange from time to time;
  - (b) in the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names, and delivery of a certificate for a share to any one of several joint holders thereof shall be sufficient delivery to all; and
  - (c) where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.
- (2) Subject to the Statutes and the Listing Rules and at the absolute discretion of the Company, every share certificate may be issued under the Seal or a facsimile thereof and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

**18. Replacement of certificates**

If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new share certificate representing the same shares may be issued to the holder upon request and upon payment of such sum (if any) not exceeding the maximum amount prescribed by the Stock Exchange from time to time and, subject to compliance with such terms (if any) as to evidence and indemnity and to the payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed. As regards the loss of share certificate, application for a replacement certificate shall be made in accordance with section 163 of the Ordinance.

**CALLS ON SHARES**

**19. Directors may make calls**

- (1) Subject to these Articles and the terms of allotment, the Board may from time to time make such calls upon the members in respect of all moneys unpaid on their shares as it thinks fit, and each member shall (subject to the Company serving upon him at least 14 clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. Any call, before receipt by the Company of an amount due under it, may be revoked, extended or postponed in whole or in part as the Board may determine.

- (2) Any call may be made payable in one sum or by instalments and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- (3) A person upon whom a call is made shall remain liable for it notwithstanding the subsequent transfer of the share in respect of which the call is made.
- (4) The joint holders of a share shall be jointly and severally liable for the payment of all calls in respect of that share.

20. **Interest on calls**

If a call or instalment payable in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the amount is due shall pay interest on the amount unpaid, from the day appointed for payment to the day of actual payment, at such rate (not exceeding 15 per cent. per annum) as the Board may determine, and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment, but the Board shall be at liberty to waive payment of such interest, costs, charges and expenses, wholly or in part.

21. **Sums treated as calls**

Any sum which by the conditions of allotment of a share is made payable on allotment, or at any fixed time, or by instalments at any fixed times, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date or dates fixed for payment and, in case of non-payment, the provisions of these Articles shall apply as if that sum had become payable by virtue of a call.

22. **Power to differentiate**

Subject to the terms of the issue, the Board may make arrangements on any issue of shares for a difference between the allottees or holders of the shares in the amounts and times of payment of calls on their shares.

23. **Payment of calls in advance**

The Board may, if it thinks fit, receive from any member willing to make payment in advance all or any part of the moneys payable upon a share beyond the sum actually called up on it and, upon all or any of the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the share in respect of which such advance has been made, the Board may pay or allow interest at such rate (not exceeding 15 per cent. per annum) as may be agreed upon between the Board and the member paying such sum in advance, in addition to the dividend payable upon such part of the shares in respect of which such advance has been made as is actually called up.

24. **Rights suspended if payment in arrear**

No member shall be entitled to receive any dividend, or (save as proxy for another member) to be present or vote at any general meeting, either personally or by proxy, or to exercise any privilege as a member, or be reckoned in a quorum in respect of any share held by him (whether alone or jointly with any other person) if and so long as he shall have defaulted in payment of any call or other sum for the time being due and payable on the share or any interest or expenses (if any) payable in connection therewith.

## **LIEN ON SHARES**

### **25. Lien on partly paid shares**

- (1) The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall have a first and paramount lien and charge on every share (not being a fully paid up share) registered in the name of a member (whether solely or jointly with others), for any amount payable in respect of that share. The lien shall extend to all dividends and other moneys from time to time declared or payable in respect of that share.
- (2) The Board may at any time either generally or in any particular case declare any share to be wholly or partly exempt from this Article.

### **26. Enforcement of lien**

- (1) The Company may sell any share subject to a lien, in such manner as the Board may think fit, if an amount payable on the share is due and is not paid within 14 clear days after a notice has been given to the holder or any person entitled by transmission to the share demanding payment of that amount and stating that if the notice is not complied with the share may be sold.
- (2) To give effect to any sale under this Article, the Board may authorise some person to execute an instrument of transfer of the share sold to, or in accordance with the directions of, the purchaser and a sold note in respect thereof and may enter the purchaser's name in the Register as holder of the share. The purchaser shall not be bound to see to the application of the purchase money nor shall the title of the new holder be affected by any irregularity in or invalidity of the proceedings relating to the sale.
- (3) The net proceeds of the sale, after payment of the costs, shall be applied in or towards satisfaction of the amount due or liability, and any residue, if any, shall (subject to a like lien for any amounts not presently due on the share before the sale) be paid to the holder or the person, if any, entitled by transmission to the share immediately before the sale.

## **FORFEITURE OF SHARES**

### **27. Notice of unpaid calls**

- (1) If any member fails to pay the whole or any part of any call or instalment remains unpaid on any share after the day appointed for payment, the Board may give a notice to the holder requiring him to pay so much of the call or instalment as remains unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.
- (2) The notice shall state a further day, being not less than 14 clear days from the date of such notice, on or before which, and the place where, payment is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited.

**28. Forfeiture on non-compliance with notice**

- (1) If the requirements of a notice given under the preceding Article are not complied with, any share in respect of which the notice has been given may, at any time thereafter before payment of all calls or instalments, interest, costs, charges and expenses due in respect thereof has been made, be forfeited by a resolution of the Board. Every forfeiture shall include all dividends declared and other monies payable in respect of the forfeited share, and not actually paid before the forfeiture. The Board may accept a surrender of any share liable to be forfeited, and in such case, reference in these Articles to forfeiture shall include surrender.
- (2) If a share is forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the person who was the holder of the share, or (as the case may be) the person entitled to the share by transmission and an entry of such notice having been given, and of the forfeiture, with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry.

**29. Power to annul forfeiture or surrender**

Notwithstanding any such forfeiture as aforesaid, the Board may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon payment of all calls and interest due upon and costs, charges and expenses incurred in respect of the share, and upon such further conditions (if any) as it may think fit.

**30. Disposal of forfeited or surrendered shares**

- (1) Subject to the provisions of the Ordinance, every share which is forfeited or surrendered shall become the property of the Company, and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of, upon such terms and in such manner as the Board shall think fit either to the person who was before the forfeiture the holder of the share or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up. The Board may for the purpose of a disposal authorise some person to execute an instrument of transfer and a sold note of a forfeited or surrendered share to, or in accordance with the directions of, any person to whom the same has been sold, re-allotted or disposed of.
- (2) A statutory declaration by a Director or Secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company in pursuance of these Articles, and stating the day when it was forfeited, surrendered or sold, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts stated in it, and such declaration, together with a certificate in respect of such share, delivered to a purchaser or allottee thereof shall (subject to the execution of any necessary instrument of transfer and sold note) constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such purchase or allotment and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any omission, irregularity in or invalidity of or relating to or connected with the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

31. **Rights and liabilities of members whose shares have been forfeited or surrendered**

A person any of whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered shares and shall surrender to the Company for cancellation the certificate for the shares forfeited or surrendered, but shall remain liable (unless payment is waived in whole or in part by the Board) to pay to the Company all moneys payable by him on or in respect of the shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until payment at such rate (not exceeding 15 per cent. per annum) as the Board shall think fit, in the same manner as if the share had not been forfeited or surrendered. He shall also be liable to satisfy all the claims and demands (if any) which the Company might have enforced in respect of the share at the time of forfeiture or surrender, without any deduction or allowance for the value of the share at the time of forfeiture or surrender or for any consideration received on its disposal.

**TRANSFER OF SHARES**

32. **Form of transfer**

- (1) Subject to the Statutes and the restrictions in these Articles, a member may transfer all or any of his shares by an instrument of transfer in the usual or common or in a form prescribed by the Stock Exchange or in any other form which the Board may approve and may be under hand or, if he transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.

33. **Execution**

The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee (provided that the Board may dispense with the signing of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so), and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect of the share. The machine imprinted signature on an instrument of transfer may be accepted by the Company for the purpose of such transfer subject to any terms which the Company may impose. Shares of different classes shall not be comprised in the same instrument of transfer. 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.

34. **Retention of instruments**

All instruments of transfer which shall be registered may be retained by the Company, but any instrument of transfer which the Board refuses to register shall (except in any case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the person presenting it.

35. **Directors' power to refuse to register transfers**

- (1) The Board may, in its absolute discretion, refuse to register any transfer in respect of a share:
  - (a) which is not fully paid up; or
  - (b) on which the Company has a lien; or

- (c) issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists; or
  - (d) issued to more than four joint holders.
- (2) The Board may also refuse to register any transfer unless:
- (a) the instrument of transfer is in respect of only one class of shares;
  - (b) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;
  - (c) subject to the Statutes, the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Board may reasonably require to prove the title of the intending transferor or his right to transfer the shares (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
  - (d) the instrument of transfer is accompanied by payment of such fee, not exceeding the maximum amount prescribed by the Stock Exchange from time to time, as the Board may from time to time require; and
  - (e) if applicable, the instrument of transfer is duly and properly stamped.

**36. Notice of refusal to register**

If the Board refuses to register any transfer of any share, it shall, within two months after the date on which the instrument of transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal provided that should the transferor or the transferee request a statement of reasons for the refusal, it must within 28 days after receiving the request send the statement of reasons or register the transfer.

**37. Fee payable**

The Company shall not charge any fee of more than the maximum fee prescribed by the Stock Exchange from time to time in respect of the registration of a transfer or in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares or for making any entry in the Register affecting the title to any share.

**38. Power to suspend registration of transfers**

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods as the Board may from time to time determine provided always that such registration shall not be suspended for more than 30 days in any year.

**39. Renunciations**

Nothing contained in these Articles shall preclude the Board from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

40. **Registration in branch register**

- (1) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.
- (2) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no share upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place at which the Register is kept in accordance with the Statutes.
- (3) The Board may as it see fit to appoint, delegate and authorise a qualified agent to perform all or any of its power and duties under this Article 40.

**TRANSMISSION OF SHARES**

41. **Transmission on death**

In the case of the death of a member, the survivors or survivor 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 person or persons recognised by the Company as having any title to his shares; but nothing in these Articles 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.

42. **Registration of personal representative, Trustee in Bankruptcy, etc.**

- (1) Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member or in consequence of the making in respect of a member of an order by any court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder, may, upon producing such evidence of his title as the Board shall require, and subject as provided in this Article, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee of the share.
- (2) If the person so becoming entitled elects to be registered himself, he shall give notice to the Company to that effect. If he elects to have another person registered, he shall execute an instrument of transfer of the share to that person or shall execute such other document or take such other action as the Board may require to enable that person to be registered.
- (3) The provisions of these Articles relating to the transfer of shares shall apply to the notice or instrument of transfer or other document or action as if it were a transfer effected by the person from whom the title by transmission is derived and the event giving rise to the transmission had not occurred.



43. **Rights of persons entitled by transmission**

- (1) A person becoming entitled to a share in consequence of a death or bankruptcy or winding-up or of any other event giving rise to a transmission by operation of law shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share and shall have the same rights in relation to the share as he would have if he were the holder except that, until he becomes the holder, he shall not be entitled to attend or vote at any general meeting of the Company.
- (2) The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if after 90 days the notice has not been complied with, the Board may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

**UNTRACEABLE MEMBERS**

44. **Sale of shares of untraceable members**

- (1) The Company may sell any share of a member, or any share to which a person is entitled by transmission, by instructing an Exchange Participant of the Stock Exchange to sell at the best available price at the time if:
  - (a) during a period of 12 years at least 3 cash dividends or other distributions have become payable in respect of the share to be sold and have been sent by the Company in accordance with the Article 114;
  - (b) during that period of 12 years no cash dividend or other distribution payable in respect of the share has been claimed, no cheque, warrant, order or other payment for a dividend has been cashed, no dividend sent by means of a funds transfer system has been paid and no communication has been received by the Company from the member or the person entitled by transmission to the share;
  - (c) on or after the expiry of that period of 12 years the Company has published advertisements in at least one English language newspaper and one Chinese language newspaper circulating in Hong Kong giving notice of its intention to sell the share;
  - (d) during the period of 3 months following the publication of those advertisements or of the first of the advertisements if they are published on different dates, the Company has not received any communication from the member or the person entitled by transmission to the share; and
  - (e) the Company has given notice to the Stock Exchange of its intention to sell the share.
- (2) The Company's power of sale shall extend to any further share which, on or before the date of publication of the first of any advertisement pursuant to subparagraph (1)(d) above, is issued in respect of a share to which paragraph (1) applies (or in respect of any share to which this paragraph applies) if the conditions set out in subparagraphs (1)(b) to (e) are satisfied in relation to the further share (but as if the references to a period of twelve years were references to a period beginning on the date of allotment of the further share and ending on the date of publication of the first of the advertisements referred to above).
- (3) To give effect to any sale, the Board may authorise some person to transfer the share to, or as directed by, the purchaser, who shall not be bound to see to the application of the purchase money; nor shall the title of the new holder to the share be affected by any irregularity in, or invalidity of, the proceedings relating to the sale.

- (4) Any sale under this Article shall be valid and effective notwithstanding that the member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

45. **Application of proceeds of sale**

- (1) The Company shall account to the person entitled to the share at the date of sale for a sum equal to the net proceeds of sale and shall be deemed to be his debtor, and not a trustee for him, in respect of them.
- (2) Pending payment of the net proceeds of sale to such person, the proceeds may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company, if any) as the Board may from time to time decide.
- (3) No interest shall be payable in respect of the net proceeds and the Company shall not be required to account for any moneys earned on the net proceeds.

46. **Dividends payable on shares of untraceable members**

The Company may cease to send any cheque or warrant or order through the post for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if in respect of at least two consecutive dividends payable on those shares the cheques or warrants or orders remain uncashed or after the first occasion when the cheques or warrants or orders have been returned undelivered but, subject to the provisions of these Articles, shall recommence sending cheques, or warrants or orders in respect of dividends payable on those shares if the holder or person entitled by transmission to it claims the arrears of dividend and does not instruct the Company to pay future dividends in some other way.

## **GENERAL MEETINGS**

47. **Annual General Meetings**

The Board shall convene and the Company shall, in respect of each of its financial year, hold an annual general meeting in accordance with the requirements of the Statutes and, where applicable, the Listing Rules. Subject to such requirements, the Board shall determine the date, time and place(s) at which each annual general meeting shall be held.

48. **General Meetings**

All general meetings other than annual general meetings shall be called general meetings. General meetings may be held in any part of the world as may be determined by the Board.

49. **Convening of General Meetings**

- (1) The Board may convene a general meeting whenever it thinks fit.
- (2) General meetings may also be convened in accordance with Article 51.
- (3) General meetings shall also be convened by the Board on the requisition of members pursuant to the provisions of the Statutes.

50. **Class meetings**

The provisions of these Articles relating to general meetings shall apply, mutatis mutandis, to any separate general meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of the class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

**NOTICE OF GENERAL MEETINGS**

51. **Notice of meetings**

- (1) Subject to the provisions of the Ordinance and the Listing Rules, an annual general meeting shall be called by notice of not less than 21 clear days and not less than 20 clear Business Days, any general meeting other than annual general meeting shall be called by notice of not less than 14 clear days and not less than 10 clear Business Days given in manner hereinafter mentioned to all members (other than those who, under the provisions of these Articles, are not entitled to receive such notices from the Company), to the Directors and to the Auditors.
- (2) The accidental omission to give such notice of any annual general meeting and general meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send an instrument of proxy to, or the non-receipt of either or both by, any person entitled to receive such notice shall not invalidate any resolution passed or proceeding had at that meeting.

52. **Short notice**

Subject to the provisions of the Ordinance, notwithstanding that a meeting of the Company is convened by shorter notice than that specified in this Article, it shall be deemed to have been duly convened if it is so agreed:

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote at the meeting; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. of the total voting rights of the members at the meeting.

53. **What notice is to specify**

- (1) Every notice of meeting shall specify the date, the place (and if the meeting is to be held in two or more places in accordance with the requirements of the Ordinance, the principal place of the meeting and the other place or places of the meeting) and the time of the meeting and the general nature of such business to be dealt with at the meeting. In the case of a meeting convened for passing a special resolution, the notice shall also specify the intention to propose the resolution as a special resolution.
- (2) The Board shall comply with the Statutes and the Listing Rules regarding the giving and the circulation, on the requisition of members, of notices of resolutions and of statements with respect to matters relating to any resolution to be proposed or business to be dealt with at any general meeting of the Company.
- (3) Every notice of meeting shall also state with reasonable prominence that a member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote thereat instead of him and that a proxy need not also be a member.

- (4) Every notice of meeting shall also state the place where instruments of proxy are to be deposited if the Board shall have determined such place to be other than at the Office.

## **PROCEEDINGS AT GENERAL MEETINGS**

### **54. Meetings by telecommunication means**

The Company may hold a general meeting at 2 or more places using any technology that enables the members who are not together at the same place to listen, speak and vote at the general meeting.

### **55. Quorum**

No business shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the choice or appointment of a chairman for the meeting which shall not be treated as part of the business of the meeting. Two members, present in person or by proxy and entitled to vote, shall be a quorum for all purposes.

### **56. Adjournment if quorum not present**

If within 30 minutes from the time fixed for holding a general meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week (or if that day be a holiday, to the next Business Day thereafter) and at the same time and place, as the original meeting, or to such other day, and at such other time and place as the chairman of the meeting may determine and the provisions of Article 60 as to notices and as to business to be transacted shall apply. If at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for holding the meeting, the member or members (or in case of a corporation, by its duly authorised representative) present in person or by proxy shall constitute a quorum and may transact the business for which the meeting was called.

### **57. Chairman**

The Chairman or any one of the Directors appointed for that purpose by him or the Board or, failing such appointment, by the members present, shall preside at every general meeting, but if no Director shall be present within 15 minutes after the time fixed for holding the same or, if none of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside as chairman of the meeting.

### **58. Directors and other persons entitled to attend and speak**

Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company whom the chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

### **59. Resolutions and amendments**

- (1) In the case of a resolution to be proposed as a special resolution, no amendment may be made, at or before the time at which the resolution is put to the vote, to the form of the resolution as set out in the notice of meeting, except an amendment to correct a patent error or as may otherwise be permitted by law.

- (2) In the case of a resolution to be proposed as an ordinary resolution, no amendment may be made, at or before the time at which the resolution is put to the vote (other than an amendment to correct a patent error), unless:
  - (a) in the case of an amendment to the form of the resolution as set out in the notice of meeting, written notice of the intention to move the amendment is lodged at the Office no later than 48 hours before the time fixed for the holding of the relevant meeting , or
  - (b) in any case, the chairman of the meeting in his absolute discretion otherwise decides that the amendment or amended resolution may properly be put to the vote.

The giving of written notice under subparagraph (a) above shall not prejudice the power of the chairman of the meeting to rule the amendment out of order.

- (3) With the consent of the chairman of the meeting, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote.
- (4) If the chairman of the meeting, acting in good faith, rules a resolution or an amendment to a resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the resolution in question shall not be invalidated by any error in his ruling. Any ruling by the chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.

#### 60. **Adjournment**

- (1) With the consent of any meeting at which a quorum is present, the chairman of the meeting may (and shall if so directed by the meeting) adjourn the same from time to time and from place to place.
- (2) In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so.
- (3) Whenever a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given in the same manner as in the case of the original meeting.
- (4) Save as aforesaid, no person shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

#### 61. **Method of voting and demand for poll**

- (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorized representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

- (2) A declaration by the chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the books of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

**62. How poll to be taken**

- (1) A poll shall be taken at such time and place and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).
- (2) On a poll, votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- (3) The result of the poll shall be deemed to be a resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.

**63. Chairman's casting vote**

In the case of an equality of votes, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

## **VOTES OF MEMBERS**

**64. Voting rights**

Subject to these Articles and to any special rights or restrictions as to voting for the time being attached to any shares of the Company, every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy, shall have one vote for every share of which he is the holder.

**65. Voting restrictions under the Listing Rules**

Where any member 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 member in contravention of such requirement or restriction shall not be counted.

**66. Representation of corporations**

Any corporation which is a member of the Company may, by resolution of its board or other governing body, authorise any person to act as its representative at any general meeting of the Company or any separate meeting of any class of members of the Company; and the representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member present at the meeting in person, including (without limitation) power to vote.

**67. Representation of a recognised clearing house**

Where a member is a recognised clearing house (within the meaning of the SFO) or its nominee, it may authorise any person or persons as it thinks fit to act as its proxy (or proxies) or representative (or representatives) at any general meeting of the Company or any separate meeting of any class of members of the Company provided that, if more than one person is so authorised, the instrument of proxy or authorisation must specify the number and class of shares

in respect of which each such person is so authorised. Notwithstanding anything contained in these Articles, each person so authorised, and any instrument of proxy or authorisation signed by any officer of the recognised clearing house, shall be deemed to have been duly authorised without further evidence of the facts. The person so authorised will be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee) as if such person was the registered holder of the shares of the Company held by that recognised clearing house (or its nominee) present at the meeting in person, including (without limitation) the right to vote individually.

**68. Voting rights of joint holders**

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 to it, but so that, if more than one of such joint holders shall tender a vote on the same resolution, whether personally or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote(s) of the other joint holder(s); and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the relevant share. Several executors or administrators of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

**69. Voting rights of members incapable of managing their affairs**

A member in respect of whom an order has been made by any court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder, may vote by his receiver or other person in the nature of a receiver or curator bonis appointed by such court, and any such receiver or other person may vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote as aforesaid shall have been produced at the Office or at such other place as the Board may determine at least 48 hours before the time fixed for holding the meeting or adjourned meeting (as the case may be) at which such person proposes to vote and, in default, the right to vote shall not be exercisable.

**70. Objections to admissibility of votes**

No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting or poll 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.

## **PROXIES**

**71. Proxies**

- (1) A proxy need not be a member of the company and a member may appoint more than one proxy to attend on the same occasion.
- (2) Receipt by the Company of an instrument of proxy shall not preclude a member from attending and voting in person at the meeting or on the poll concerned.
- (3) No instrument of proxy shall be valid except for the meeting mentioned in it and any adjournment of that meeting. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution, except at an adjourned meeting in case where the meeting was originally held within twelve months from such date.

72. **Form of proxy**

An instrument appointing a proxy shall be in any usual or common form or any other form which the Board shall from time to time approve or accept, and the Board may, if it thinks fit, send out with the notice of meeting forms of instrument of proxy for use at the meeting.

73. **Execution of proxies**

The instrument appointing a proxy shall be in writing signed by the appointor, or his agent duly authorised in writing, or, if the appointor is a corporation, shall either be executed under its common seal or be signed by some agent or officer duly authorised in that behalf. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of facts. The Board may, but shall not be bound to, require evidence of the authority of any such agent or officer.

74. **Vote on amendment of a resolution by proxy**

The instrument appointing a proxy shall be deemed also to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.

75. **Deposit of proxies**

- (1) The instrument appointing a proxy shall be (i) deposited at the Office (or at such other place in Hong Kong as may be specified in the notice convening the meeting or in any notice of adjournment or, in either case, any accompanying document); or (ii) if an electronic address is specified by the Company, in the notice of meeting or in the instrument of proxy issued by the Company, specifically for the purpose of receiving such instruments and the aforesaid authorities and documents for that meeting, sent or transmitted by electronic means to such electronic address subject to any conditions or limitations imposed by the Company, in each case, at least 48 hours before the time fixed for holding the meeting or, as the case may be, adjourned meeting at which the person named in such instrument proposes to vote and an instrument of proxy which is not so delivered shall not be treated as valid. In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday.
- (2) When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share.
- (3) In the case of an instrument signed by an attorney of a member who is not a corporation, there shall also be deposited, in manner set out in Article 75 (1) above, the authority under which such instrument is signed or a notarially certified copy of it (or if approved by the Board, a copy certified in some other manner).
- (4) In the case of an instrument signed by an officer or agent of a corporation, the Board may also require there to be deposited, in manner set out in Article 75 (1) above, the authority under which such instrument is signed, or a notarially certified copy of it, or such other authorities or documents as shall be specified in the notice of the relevant meeting or in the notes to any instruments of proxy issued by the Company in connection with the relevant meeting.
- (5) In the event of the documents required by the foregoing paragraphs not being so deposited, the person named in the instrument of proxy shall not be entitled to vote in respect of it.



76. **Notice of revocation of authority**

A vote given by proxy or a representative of a corporation shall be valid notwithstanding the previous termination of the authority of the person voting (until entered in the Register the transfer of the share in respect of which the appointment of the relevant person was made) unless notice of termination was received at the Office (or at such other place at which the instrument of proxy was duly deposited or delivered) at least 48 hours before the time fixed for holding the meeting or adjourned meeting at which the vote is given or shall have been received by the Secretary or the chairman of the meeting on the day and at the place of the meeting or, in the case of a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for the taking of the poll. In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday. Only such intimation in writing actually received by the Company shall be taken into account by the Company.

77. **Duly appointed attorney**

Anything which under these Articles a member may do by proxy, he may likewise do by his duly appointed attorney and the provisions of these Articles relating to proxies and instruments appointing proxies shall apply mutatis mutandis in relation to any such attorney and the instrument under which such attorney is appointed.

## **DIRECTORS**

78. **Number of Directors**

Unless otherwise determined by an ordinary resolution of the members of the Company, the number of Directors shall be not less than 7 and there shall be no maximum number of Directors.

79. **Directors need not be members**

A Director need not be a member of the Company but an executive Director must be an employee of the Company or its subsidiaries.

## **APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS**

80. **Appointment of Directors by the Company**

- (1) Subject to these Articles, including Article 79, the Company may by ordinary resolution appoint any person to be a Director, either to fill a casual vacancy or as an additional Director.
- (2) Subject to Article 79, any of the following persons shall be appointed or re-appointed a Director at any general meeting under Article 80(1):
  - (a) a Director retiring in accordance with these Articles; or
  - (b) he is recommended by the Board; or
  - (c) not earlier than the day after the despatch of the notice of the meeting and not later than 7 days prior to the date fixed for the meeting there has been given to the Secretary, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment or reappointment of that person and a notice executed by that person of his willingness to be appointed or re-appointed.

**81. Separate resolutions for appointment of each Director**

Every resolution of a general meeting for the appointment of a Director shall relate to one named person and a single resolution for the appointment of 2 or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.

**82. The Board's power to appoint additional Directors**

Without prejudice to the power of the Company in general meeting in accordance with any of the provisions of these Articles to appoint any person to be a Director, the Board may, at any time, and from time to time, appoint any person to be a Director, either to fill a casual vacancy or by way of addition to their number. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-appointment.

**83. Retirement of Directors**

- (1) Notwithstanding anything stated in these Articles, at each annual general meeting of the Company, one third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every 3 years.
- (2) Subject to the Statutes and the provisions of these Articles, the Directors to retire by rotation on each occasion shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Board at the start of business on the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time on the date of the notice but before the close of the meeting.
- (3) Subject to Article 79, a retiring Director shall (unless he is removed from office or his office is vacated in accordance with these Articles) retain office until the close of the meeting at which he retires or (if earlier) when a resolution is passed at that meeting not to fill the vacancy or to appoint another person in his place or the resolution to re-appoint him is put to the meeting and lost.
- (4) A retiring Director shall be eligible for reappointment.
- (5) Subject to the provisions of these Articles, if the Company, at any meeting at which a Director retires in accordance with these Articles by rotation or otherwise, does not fill the office vacated by such Director, the retiring Director, if willing to act, shall be deemed to be re-appointed, unless at the meeting a resolution is passed not to fill the vacancy or to appoint another person in his place or unless the resolution to re-appoint him is put to the meeting and lost.
- (6) No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the Office provided that the minimum length of the period, during which such notice(s) are given, shall be at least 7 days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period

for lodgement of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.

**84. Removal of Directors**

- (1) The Company may by ordinary resolution remove any Director before his period of office has expired notwithstanding anything in these Articles or in any agreement between him and the Company.
- (2) Any removal of a Director under this Article 84 shall be without prejudice to any claim which such Director may have for damages for breach of any agreement between him and the Company.

**85. Vacation of office of Director**

The office of a Director shall ipso facto be vacated:

- (a) if he ceases to be a Director by virtue of any provision of the Statutes or he becomes prohibited by law from being a Director; or
- (b) if he becomes bankrupt or a receiving order is made against him or he makes any arrangement or composition with his creditors generally; or
- (c) if he is, or may be, suffering from mental disorder and an order is made by a court claiming jurisdiction in that behalf (whether in Hong Kong or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person by whatever name called to exercise powers with respect to his property or affairs; or
- (d) if more than six consecutive months he has been absent (whether or not an alternate director attends in his place), without special leave of absence from the Board, from meetings of the Board held during that period, and the Board resolves that his office be vacated; or
- (e) if he gives to the Company notice of his wish to resign, in which event he shall vacate office on the delivery of that notice to the Company or such later time as is specified in such notice; or
- (f) if he is removed by ordinary resolution of the Company in accordance with the Statutes; or
- (g) (other than subparagraph (f) above) if he is removed in accordance with the Statutes or in the manner provided in these Articles; or
- (h) if he becomes of unsound mind or dies.

If the office of a Director is vacated for any reason, he shall cease to be a member of any committee or sub-committee appointed by the Board.

**86. Appointment of Directors to hold executive offices**

- (1) The Board may appoint one or more Directors to hold any executive office under the Company (including that of Chairman, President or Vice-president) for such period (subject to the Statutes and the applicable Listing Rules) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the Director and the Company. A Director appointed to an office under this Article shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
- (2) The remuneration of a Director appointed to any executive office shall be fixed by the Board and may be by way of salary, commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a Director.
- (3) A Director appointed as Chairman shall automatically cease to hold that office if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. A Director appointed as president or Vice-president shall automatically cease to hold that office if he ceases to be a Director unless the contract or any resolution under which he holds office expressly states that he shall, in which case that cessation shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

**87. Power to appoint alternate Directors**

- (1) Each Director may appoint another Director who is willing to act as his alternate and may remove him from that office.
- (2) An alternate Director shall be entitled to receive notice of all Board meetings and of all meetings of committees of which the Director appointing him is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present and at the meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at the meeting these Articles shall apply.
- (3) Every person acting as an alternate Director shall alone be responsible to the Company for his acts and defaults (including any tort committed by him) and shall not be deemed to be the agent of the Director appointing him; provided, however, that he shall not be responsible for carrying out the voting and other instructions from the appointing Director.
- (4) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate, in addition to his own vote, but he shall count as only one for the purpose of determining whether a quorum is present.
- (5) Any person appointed as an alternate Director shall vacate his office as alternate Director if the Director by whom he has been appointed vacates his office as Director (otherwise than by retirement at a general meeting of the Company at which he is re appointed) or removes him by notice to the Company or on the happening of any event which causes or would cause him to vacate that office.
- (6) Every appointment or removal of an alternate Director shall be made by notice in writing and shall be effective on receipt by the Secretary.

## **REMUNERATION AND EXPENSES**

### **88. Remuneration of Directors and expenses**

- (1) Subject to applicable laws, rules, regulations and government policies, each of the Directors shall be entitled to be paid by the Company such remuneration as may be proposed by the Board and determined by the Company in general meeting.
- (2) The Directors shall also be paid out of the funds of the Company all their travelling, hotel and other expenses reasonably and properly incurred by them in and about the discharge of their duties, including their expenses of travelling to and from meetings of the Board, or committee meetings, or general meetings (subject always to the provisions of any agreement between the Company and any Director).

### **89. Special remuneration**

The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration (if any) as a Director, and may, without prejudice to the provisions of Article 88, be made payable by a lump sum or by way of salary, commission, participation in profits or otherwise as the Board may decide.

## **POWERS OF THE BOARD**

### **90. General powers of the Board to manage Company's business**

- (1) The business of the Company shall be managed by the Board which may exercise all the powers of the Company, subject to the Statutes, these Articles and any resolution of the Company. No alteration of these Articles shall invalidate any prior act of the Board which would have been valid if the same had not been passed or made.
- (2) The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article or by any resolution of the Company in general meeting.
- (3) The Board when exercises its powers of the Company as delegated under these Articles will comply with all applicable laws, rules, regulations and government policies.

### **91. Power to borrow money**

- (1) The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge the whole or any part of its undertaking, property and assets (both present and future) and uncalled capital and (subject, to the extent applicable, to the provisions of the Statutes) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- (2) Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- (3) Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

- (4) (a) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.
- (b) The Board shall cause a proper register to be kept, in accordance with the provisions of the Statutes, of all charges specifically affecting the property of the Company and of any series of debentures, or any debenture stocks, issued by the Company and shall duly comply with the requirements of the Statutes in regard to the registration of charges and debentures therein specified and otherwise.

**92. Employee and employees**

The Board may exercise any of the powers conferred by the Statutes to determine the benefit of employees and to make provision for the benefit of employees of the Company or any of its subsidiaries in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.

**DELEGATION OF BOARD'S POWER**

**93. Committees**

- (1) The Board may delegate any of its powers, authorities and discretions (with power to sub-delegate) to any committee including, without limitation the executive committees consisting of such person or persons (whether Directors or not) as it thinks fit, provided that the majority of the members of the committee are Directors and that no meeting of the committee shall be quorate for the purpose of exercising any of its powers, authorities or discretions unless a majority of those present are Directors. The Board may make any such delegation on such terms and conditions as it thinks fit and may revoke or vary any such delegation and discharge any committee wholly or in part, but no person dealing in good faith shall be affected by any revocation or variation. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may be imposed on it by the Board.
- (2) The proceedings of a committee with two or more members shall be governed by any regulations imposed on it by the Board and (subject to such regulations) by these Articles regulating the proceedings of the Board so far as they are capable of applying.
- (3) The Board may establish an executive committee comprising all the executive Directors with such power, authorities and duties as delegated by the Board and on terms and conditions as determined by the Board.

**94. Delegation to individual directors**

The Board may entrust to and confer upon any Director any of its powers, authorities and discretions (with power to sub-delegate) on such terms and conditions as it thinks fit and may revoke or vary all or any of them.

**95. Powers of attorney**

The Board may by power of attorney or otherwise appoint any person to be the agent of the Company on such terms (including terms as to remuneration) as it may decide and may delegate to any person so appointed any of its powers, authorities and discretions (with power to sub-delegate). The Board may remove any person appointed under this Article and may revoke or vary the delegation.

96. **Chairman, President etc.**

The Board may entrust to and confer upon the Chairman, the President or the Vice-president, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers.

**DIRECTORS' INTERESTS**

97. **Power of Directors to hold offices of profit and to contract with Company**

- (1) Subject to the Statutes, no Director or intending Director shall be disqualified by his office from entering into any contract with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise, nor (subject to the interest of the Director being duly declared) shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so interested be liable to account to the Company for any benefit resulting from the contract by reason of such Director holding that office or of the fiduciary relationship established by his holding that office.
- (2) A Director may hold any other office or place of profit with the Company (except that of the Auditor) in conjunction with his office of Director for such period (subject to the Statutes) and upon such terms as the Board may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the Board may decide, either in addition to or in lieu of any remuneration under any other provision of these Articles.
- (3) Any Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director. Notwithstanding the provisions in this Article, the Company shall not, without the approval of its members in accordance with the provisions of the Ordinance, enter into a service contract with a Director under which the guaranteed term of the employment of such Director exceeds or may exceed 3 years.
- (4) Any Director may continue to be or become a member or director of, or hold any other office or place of profit under, any other company in which the Company may be interested, and no such Director shall be accountable for any dividend, remuneration, superannuating payment or other benefits received by him as a member or director of, or holder of any other office or place of profit under, any such other company. The Board may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit (including the exercise of the voting power or power of appointment in favour of the appointment of the Director; or any of them as directors or officers of the other company or in favour of the payment of any benefit to the directors or officers of the other company).
- (5) Subject to the Ordinance, a Director or his connected entity, who to the Director's knowledge (whether he being aware of or ought reasonably to be aware) is in any way, whether directly or indirectly, interested in a transaction, contract or arrangement or proposed transaction, contract or arrangement with the Company that is significant in relation to the Company's business shall, if his interest in such contract or proposed contract is material, declare the nature and extent of the Director's or the connected entity's interest in case of a transaction, contract or arrangement that has been entered into, as soon as reasonably practicable, or in the case of a proposed transaction, contract or arrangement, before the Company enters into the transaction, contract

or arrangement . For the purposes of this Article, a general notice given to the Board by a Director to the effect that:

- (a) he is a member, officer, employee or otherwise of a specified company or firm and is to be regarded as interested in any transaction, contract or arrangement which may after the effective date of the notice be made with that company or firm; or
- (b) he is connected with a person specified in the notice and is to be regarded as interested in any transaction, arrangement or contract which may after the effective date of the notice be made with the specified person.

A reference in this Article to an entity connected with a Director has the meaning given to it by the Ordinance.

- (6) A Director shall not vote (nor be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each Director and in that case each of the Directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.
- (7) A Director shall also not vote (nor be counted in the quorum at a meeting) in relation to any resolution relating to any transaction, contract or arrangement or other proposal in which he or any of his close associates has a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:
  - (a) the giving to him or any of his close associates of any indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of, or for the benefit of, the Company or any of its subsidiaries;
  - (b) the giving to a third party of any indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he or any of his close associates has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
  - (c) 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 any of his close associates is or is to be interested in the underwriting or sub-underwriting of the offer;
  - (d) any contract or arrangement in which he or any of his close associates 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 or their interest in shares or debentures or other securities of the Company; and



- (e) any proposal or arrangement concerning the benefit of the employees of the Company or its subsidiaries, including the adoption, modification or operation of employees' share scheme or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such fund or scheme relates.
- (8) A company shall be deemed to be one in which a Director, any of his close associates, associates (as the case may be) or connected entities has shareholding interests if and so long as (but only if and so long as) they are (either directly or indirectly) the holders of or beneficially interested in any class of the equity share capital of that company (or of any third company through which the interest of the Director, that of his close associate, associates (as the case may be) or connected entities is derived) or of the voting rights available to members of that company. For the purpose of this paragraph, there shall be disregarded any shares held by the Director, any of his close associates, associates (as the case may be) or connected entities as bare or custodian trustee and in which he, his close associates, associates (as the case may be) and connected entities have no beneficial interest, any shares comprised in a trust in which the interest of him, his close associates, associates (as the case may be) and connected entities is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorised unit trust scheme in which he or any of his associates is interested only as a unit holder.
- (9) If any question arises at any meeting as to the materiality of an interest of a Director (other than the chairman of the meeting), any of his close associates and associates (as the case may be) or as to the entitlement of any Director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director, any of his close associates or associates (as the case may be) concerned, so far as known to such Director, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting, any of his close associates or associates (as the case may be) and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the Board (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman, any of his close associates or associates (as the case may be), so far as known to him, has not been fairly disclosed.
- (10) For the purposes of this Article:
- (a) references to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract;
  - (b) "subsidiary" has the same meaning as defined in the Listing Rules as amended from time to time; and
  - (c) references to an entity connected with a Director shall be construed in accordance with the Ordinance.
- (11) Subject to the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

## **PROCEEDINGS OF THE BOARD**

### **98. Board meetings**

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The Chairman at any time may, and the Secretary at the request of a Chairman at any time shall, summon a board meeting.

### **99. Notice of meetings**

- (1) Notice of Board meetings shall be given to all Directors. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or electronic communication or given in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from Hong Kong may request the Board that notices of Board meetings shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but such notices need not be given any earlier than notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a Board meeting to any Director who is for the time being absent from the People's Republic of China. A Director may waive notice of any meeting either prospectively or retrospectively.
- (2) Notice of all Board meetings must be duly served to all Directors at least 14 days prior to the date of the proposed meetings, except when the Board meeting is summoned for urgent matters, in which case at least 24 hours' prior notice must be served to all Directors, or shorter if the emergency of such matters raised by relevant regulatory authorities otherwise requires. If notice of any Board meeting is not properly served to any Director, such Board meeting shall be void.

### **100. Quorum**

The quorum necessary for the transaction of the business of the Board shall be half of the Directors for the time being (or if their number is not an even number, the number nearest to but not less than half of the number of Directors).

### **101. Chairman to preside**

The Chairman shall, if present and willing, preside at all meetings of the Board, or any one Director appointed for that purpose by him or the Board, or if he is not present within 15 minutes after the time fixed for holding the meeting or is unwilling to act as chairman of the meeting, the Directors present shall choose one of the Directors present to act as chairman of the meeting.

### **102. Competence of Board meetings and continuing Directors to act**

- (1) A Board meeting at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretions for the time being vested in or exercisable by the Board generally.
- (2) The continuing Directors or the sole continuing Director at any time may act notwithstanding any vacancy in their number but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles or is below the number fixed by or in accordance with these Articles as the quorum or there is only one continuing Director, the continuing Directors or Director may act for the purpose of filling vacancies or of summoning general meetings of the Company but not for any other purpose.

103. **Voting**

Questions arising at any Board 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 but which is not counted for the purpose of determining whether a quorum is present.

104. **Resolutions in writing and meetings by telecommunication means**

(1) A resolution signed or approved in writing by all the Directors entitled to notice of a meeting of the Board or by all the members of a committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the Board or, as the case may be, such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form, each signed or approved by one or more of the Directors concerned or the members of the committee concerned.

(2) (a) A meeting of the Board or of a committee may consist of a conference between Directors or members of the committee some or all of whom are in different places provided that each Director, or as the case may be, member of the committee who participates is able:

- (i) to hear each of the other participating Directors or members of the committee addressing the meeting; and
- (ii) if he so wishes, to address all of the other participating Directors or members of the committee simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether or not such equipment is available when this Article is adopted) or by a combination of those methods;

(b) a quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Directors or members of the committee required to form a quorum; and

(c) a meeting held in this way is deemed to take place at the place where the largest group of participating Directors or, as the case may be, members of the committee is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

105. **Validity of acts of Directors and committee members**

All acts bona fide done by any meeting of the Board, or of a committee, or by any person acting as a Director or a member of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or committee or of the person so acting, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and qualified to be a Director or committee member and had continued to be a Director or committee member and had been entitled to vote.

106. **Minutes**

The Board shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the Board;

- (b) of the names of all the Directors present at each meeting of the Board and of the names of all the members present at each meeting of any committee; and
- (c) of all resolutions and proceedings of all meetings of the Company and of any class of members, and of the Board and of any committee,

and any such minutes, if purporting to be signed by the chairman of the meeting at which such appointments were made or such Directors or members were present or such resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company or Board or committee (as the case may be), shall be sufficient evidence without any further proof of the facts stated in them.

## **SECRETARY**

### **107. Appointment of Secretary**

The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and the Board may remove from office any person so appointed (without prejudice to any claim for damages for breach of any contract between him and the Company) be removed by them.

### **108. Dual capacity**

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

## **SEAL**

### **109. Seal**

- (1) The Board shall provide for the safe custody of every seal of the Company.
- (2) The Company may have official seals for use as permitted under the Ordinance and may exercise the powers conferred by the Statutes with regard thereto, and such powers shall be vested in the Board. Whenever in these Articles reference is made to a seal the reference shall, when and so far as may be applicable, be deemed to include any such official seals as aforesaid.
- (3) A seal shall be used only by the general or special authority of a resolution of the Board, or of a committee of the Board authorised in that behalf. The Board may from time to time make such regulations as it thinks fit (subject to the provisions of these Articles) determining the persons and the number of such persons who shall sign every instrument to which a seal is affixed. Until otherwise so determined, every such instrument shall be signed by any one Director and the Secretary or any two Directors or any one or more persons authorised for the purpose by the Directors, and, in favour of any purchaser or person bona fide dealing with the Company, the signatures of such persons shall be conclusive evidence of the fact that a seal has been properly affixed.
- (4) Every certificate of shares, debentures, debenture stock or representing any other form of securities of the Company may be issued under a seal or under any official seal kept by the Company in accordance with the Ordinance and the Listing Rules.
- (5) Each certificate, whether or not a seal is affixed, shall bear the autographic signature of at least one Director and the Secretary or at least two Directors or any one or more other persons

authorised for the purpose by the Board, provided that the Board may by resolution determine (either generally or in any particular case or cases) that such signatures shall be dispensed with, or shall be affixed by means of some method or system of mechanical signature.

- (6) Subject to the Ordinance, any document executed in accordance with section 127(3) of the Ordinance and expressed (in whatever words) to be executed by the Company shall have the same effect as if the document had been executed under the Seal.

## **AUTHENTICATION OF DOCUMENTS**

### **110. Power to authenticate Company's documents**

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

## **DIVIDENDS**

### **111. Declaration of dividends**

Subject to the provisions of the Statutes, the Company may, from time to time, by ordinary resolution, declare a dividend to be paid to the members, according to their respective rights and interests in the profits, and may fix the time for payment of such dividend, but no dividend shall exceed the amount recommended by the Board.

### **112. Fixed and interim dividends**

The Board may pay such interim dividends as appear to the Board to be justified by the financial position of the Company and may also pay any dividend payable at a fixed rate at intervals settled by the Board whenever the financial position of the Company, in the opinion of the Board, justifies its payment. In particular but without prejudice to the generality of the foregoing, if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend. If the Board acts in good faith, none of the Directors shall incur any liability to the holders of shares conferring preferred rights for any loss such holders may suffer in consequence of the payment of an interim dividend on any shares having non preferred or deferred rights.

### **113. Calculation of dividends**

Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and

- (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

**114. Method of payment**

- (a) The Company may pay any dividend or other sum payable in respect of a share in cash or by cheque, warrant, order or similar financial instrument and may send the same by post to the registered address of the holder or in the case of joint holders to the registered address of that person whose name stands first in the Register, or to such person and address as the holder or joint holders may direct in writing. Every cheque, warrant, order or similar financial instrument is sent at the risk of the person or persons entitled to the money represented by it and shall, unless the holder or joint holder otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the holder whose name stands first in the Register and the payment of the cheque, warrant, order or similar financial instrument by the bank on which it is drawn shall be a good discharge to the Company.
- (b) In addition, any such dividend or other sum may be paid by a bank or other funds transfer system or by such other means and to or through such person as the holder or joint holders may direct in writing, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or when it has acted on any such direction.
- (c) Any joint holder or other person jointly entitled to any share may give an effective receipt for all dividends and other moneys paid in respect of the share.
- (d) Any dividend or other sum payable in respect of any share may be paid to a person or persons entitled by transmission to that share as if he or they were the holder or joint holders of that share and his address (or the address of the first named of two or more persons jointly entitled) noted in the Register were the registered address.

**115. Dividends not to bear interest**

No dividend or other moneys payable by the Company on or in respect of any share shall bear interest as against the Company.

**116. Calls or debts may be deducted from dividends**

The Board may deduct from any dividend or other moneys payable to any person (either alone or Jointly with another) on or in respect of a share all such sums as may be due from him (either alone or jointly with another) to the Company on account of calls or otherwise in relation to shares of the Company.

**117. Unclaimed dividends**

All dividends, interest or other sums payable unclaimed for 1 year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend unclaimed after a period of 6 years after the date of declaration shall be forfeited and shall revert to the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee in respect of it.

**118. Scrip dividends**

- (a) The Board may, with the authority of an ordinary resolution of the Company, offer any holders of shares the right to elect to receive further shares, credited as fully paid, instead of cash in respect of all (or some part) of any dividend specified by the ordinary resolution (a scrip dividend) in accordance with the following provisions of this Article.
- (b) The ordinary resolution may specify a particular dividend (whether or not already declared) or may specify all or any dividends declared within a specified period.
- (c) The basis of allotment shall be decided by the Board and the Board shall give notice to the holders of shares of their rights of election in respect of the scrip dividend and shall specify the procedure to be followed in order to make an election.
- (d) The dividend or that part of it in respect of which an election for the scrip dividend is made shall not be paid and instead further shares shall be allotted in accordance with elections duly made and the Board shall capitalise and apply out of any part of the undistributed profits of the Company, a sum equal to the aggregate amount of dividend represented by the number of the shares to be allotted out of such sums available for the purpose as the Board may consider appropriate.
- (e) The further shares so allotted shall rank *pari passu* in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.
- (f) The Board may decide that the right to elect for any scrip dividend shall not be made available to members resident in any territory where, in the opinion of the Board, compliance with local laws or regulations would be unduly onerous.
- (g) The Board may do all acts and things as it considers necessary or expedient to give effect to the provisions of a scrip dividend election and the issue of any shares in accordance with the provisions of this Article, and may make such provisions as it thinks fit for the case of shares becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the Company rather than to the members concerned).
- (h) The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election pursuant to this Article is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.
- (i) The Board shall not make a scrip dividend available unless the Company has sufficient undistributed profits or reserves to give effect to elections which could be made to receive that scrip dividend.

**119. Dividends in specie**

- (a) With the authority of an ordinary resolution of the Company and on the recommendation of the Board payment of any dividend may be satisfied wholly or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company.
- (b) Where any difficulty arises with the distribution, the Board may settle the difficulty as it thinks fit and, in particular, may issue fractional certificates (or ignore fractions), fix the value for distribution of the specific assets or any part of them, determine that cash

payments be made to any members on the basis of the value so fixed in order to secure equality of distribution and vest any of the specific assets in trustees on such trusts for the persons entitled to the dividend as the Board may think fit.

## **RESERVES**

### **120. Power to provide for depreciation and carry profits to reserve**

The Board may, before recommending any dividend, write off such sums as it thinks proper for depreciation, and carry forward in the revenue accounts any profits as it thinks should not be divided, and may also set aside out of profits of the Company such sum or sums as the Board thinks proper as a reserve or reserves, which shall at the discretion of the Board be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company, or for repairing, maintaining or adding to the property of the Company, or for such other purposes as the Board shall, in its absolute discretion, think fit, and pending any such application may, at the discretion of the Board, either be employed in the business of the Company, or be invested in such investments (other than shares in the Company) as the Board may from time to time think fit.

### **121. Reserves**

The Board may establish such reserve accounts and may divide the Company's reserves into such special funds as the Board may think fit. The Board may also carry forward any profits which it may think prudent not to divide without placing the same to reserves.

## **CAPITALISATION OF RESERVES**

### **122. Capitalisation of reserves**

- (1) Subject to the provisions of the Ordinance, the Company may at any time and from time to time, upon the recommendation of the Board, by ordinary resolution resolve that any undistributed profits not required for the payment or provision of any fixed preferential dividend and standing, at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional, to the credit of any reserve accounts of the Company be capitalised, and that such sum be appropriated as capital to and amongst the holders of ordinary shares in the capital of the Company in proportion to the number of the ordinary shares (whether or not fully paid) held by them respectively at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional or at such other time as may be stipulated in such resolution, and that the Board shall in accordance with such resolution apply such sum in paying up in full or in part any shares or debentures of the Company to be allotted and distributed credited as fully paid up on behalf of such holders of ordinary shares in the capital of the Company, and appropriate such shares or debentures to and distribute the same credited as fully or partly paid up amongst such holders of ordinary shares in the capital of the Company in the proportions aforesaid in satisfaction of their shares and interests in the said capitalised sum, or shall apply such sum or any part thereof on behalf of such holders of ordinary shares in the capital of the Company in paying up the whole or part of any amounts which shall for the time being be unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by such resolution.
- (2) Where any difficulty arises in respect of any distribution of any capitalised reserve or other sum, the Board may settle the difficulty as it thinks fit and in particular may make such provisions as it thinks fit in the case of shares or debentures becoming distributable in fractions (including provisions under which, in whole or in part, the benefit of fractional entitlements accrues to the Company rather than the members concerned) or ignore fractions and may fix the value for distribution of any fully paid up shares or debentures and may determine that cash payments be



made to any members on the basis of the value so fixed in order to secure equality of distribution, and may vest any shares or debentures in trustees upon such trusts for the persons entitled to share in the distribution as the Board may think fit.

- (3) The Board may also authorise any person to sign on behalf of the persons entitled to share in the distribution a contract for the acceptance by those persons of the shares or debentures to be allotted to them credited as fully paid under a capitalisation and any such contract shall be binding on all those persons.

## **RECORD DATES**

### **123. Fixing of record dates**

- (1) Notwithstanding any other provisions of these Articles, but without prejudice to any rights attached to any shares, the Company or the Board may fix a date as the record date by reference to which:
  - (a) a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made;
  - (b) a member will be entitled to receive notice of and to vote at any general meeting of the Company.
- (2) In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

## **ACCOUNTS**

### **124. Directors to keep proper accounting records**

The Board shall cause proper accounting records of the Company to be kept in accordance with the provisions of the Statutes.

### **125. Where accounting records to be kept**

The accounting records shall be kept at the Office, or, subject to the Ordinance, at such other place as the Board shall think fit, and shall always be open to the inspection of the Directors. No member (as such) shall have any right of inspecting any account, book or document of the Company, except as conferred by law or authorised by the Board or by any ordinary resolution of the Company, nor shall any such member be entitled to require or receive any information concerning the business, trading or customers of the Company, or any trade secret of or secret process used by the Company.

### **126. Distribution of relevant reporting documents and summary financial reports**

- (1) Subject to Article 126(2) below, a copy of (a) reporting documents or (b) the summary financial report shall, not less than 21 days before the general meeting, be delivered or sent by post to the registered address of every member of the Company or, in the case of a joint holding, to that member whose name stands first in the Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the general meeting.

- (2) Where a member of the Company has, in accordance with the Statutes and the Listing Rules and Article 129(1), consented that the Company to serve the relevant reporting documents and/or the summary financial report on the Company's website as discharging the Company's obligation under the Ordinance to send a copy of the relevant reporting documents and/or the summary financial report by the Company to the member, then subject to compliance with the publication and notification requirements of the Statutes and the Listing Rules, publication by the Company on the Company's website of the relevant reporting documents and/or the summary financial report at least 21 days before the date of the meeting shall, in relation to each such member of the Company, be deemed to discharge the Company's obligations under paragraph (1) above.

## **AUDIT**

### **127. Provisions of Statutes regarding Auditors**

Auditors shall be appointed and their duties regulated in accordance with the Ordinance.

## **NOTICES**

### **128. Form of notices**

Except where otherwise expressly stated, any notice to be given to or by any person pursuant to these Articles shall be in writing or, to the extent permitted by the Statutes and the Listing Rules and subject to Article 132(2), contained in an electronic communication. A notice calling a meeting of the Board need not be in writing.

### **129. Service of notices**

- (1) A notice or other document (including a share certificate and the reporting documents referred to in Article 126) or information may be given to any member by the Company and any notices may be served by the Board on any member:
- (a) either personally or by sending it by mail, postage prepaid (and, in any case where the registered address of a member is outside Hong Kong, by prepaid airmail), addressed to such member at his registered address or by leaving it at that address addressed to the member; or
  - (b) to the extent permitted by the Listing Rules and the Statutes, by electronic means by transmitting it to any electronic number or address or website provided by the member; or
  - (c) by placing it on the Company's website provided that (i) the member's express prior agreement and confirmation in writing has been obtained by the Company; or (ii) the Company has individually requested (in the manner as required under the Ordinance) the member to agree that documents, notice or information generally be so sent or supplied by the Company to the member and has not received a response to the request within 28 days beginning with the date of which the request was sent; or
  - (d) by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating in Hong Kong or in the manner as specified in the Listing Rules and the Statutes.

- (2) Any such notice or other document may be given by the Company by reference to the Register as it stands at any time not more than 15 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 other document is given 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.

**130. Registered address of member**

Each member shall, from time to time, notify in writing to the Company some place which shall be deemed his registered address for the purposes of the last preceding Article.

**131. Notice to joint holders**

All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register in respect of such share, and notice so given shall be sufficient notice to all the holders of such share.

**132. Service on Company**

- (1) Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it by mail, postage prepaid (and, if posted outside Hong Kong, by prepaid airmail), addressed to the Company or to such officer at the Office.
- (2) The Board may from time to time specify the form and manner in which a notice or other documents 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 the Board thinks fit for verifying the authenticity or integrity of any such electronic communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.

**133. Proof of service**

Subject to the Statutes and the Listing Rules,

- (a) any notice or other document, if sent by mail, postage prepaid, shall be deemed, to have been served or delivered on the second Business 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 or prepaid airmail (as the case may be);
- (b) any notice or other 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;
- (c) any notice or other document, if sent by electronic means (other than making it available on the Company's website), shall be deemed to have been given on the Business Day following that on which the electronic communication was sent by or on behalf of the Company;

- (d) any notice or other document served or delivered by the Company by making available on the Company's website shall be deemed to have been received 24 hours from the later of (a) the time when such notice or document is first made available on the website; and (b) the time when the recipient receives the notification of availability of the document on the website; or
- (e) any notice or other document published by way of advertisement in a newspaper shall be deemed to have been served or delivered on the day it was so published.

**134. Members present at meeting deemed to have received due notice**

Any member present, either personally or by proxy, at any meeting of the Company or class of members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

**135. Successors in title to be bound by notices to predecessors**

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

**136. Service of notice to be sufficient notwithstanding death of member served**

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

**137. Signature on notices**

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

**DESTRUCTION OF DOCUMENTS**

**138. Destruction of documents**

- (1) The Board may authorise or arrange the destruction of documents held by the Company as follows:
  - (a) at any time after the expiration of six years from the date of registration, all instruments of transfer of shares in the Company and all other documents transferring or purporting to transfer shares in the Company or representing or purporting to represent the right to be registered as the holder of shares in the Company on the faith of which entries have been made in the Register;
  - (b) at any time after the expiration of one year from the date of cancellation, all registered share certificates which have been cancelled;
  - (c) at any time after the expiration of two years from the date of recording them, all dividend mandates and notifications of change of address; and

- (d) at any time after the expiration of one year from the date of actual payment, all paid dividend warrants and cheques.
- (2) It shall conclusively be presumed in favour of the Company that:
    - (a) every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;
    - (b) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
    - (c) every share certificate so destroyed was a valid certificate duly and properly cancelled;
    - (d) every other document mentioned in paragraph (1) above so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company; and
    - (e) every paid dividend warrant and cheque so destroyed was duly paid.
  - (3) The provisions of Article 138(2) above shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant.
  - (4) Nothing in this Article shall be construed as imposing on the Company or the Board any liability in respect of the destruction of any document earlier than as stated in the paragraph above or in any other circumstances in which liability would not attach to the Company or the Board in the absence of this Article.
  - (5) References in this Article to the destruction of any document include references to its disposal in any manner.

## **WINDING UP**

### **139. Powers to distribute in specie**

If the Company is in liquidation, the liquidator (whether voluntary or official) may, with the sanction of a special resolution of the Company:

- (a) divide among the members in specie the whole or any part of the assets of the Company and for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members; or
- (b) vest the whole or any part of the assets of the Company in trustees upon such trusts for the benefit of the members or any of them as the liquidator, with the like sanction, shall think fit but no member shall be compelled to accept any asset upon which there is any liability.

## **INDEMNITY**

### **140. Indemnity and insurance of officers**

- (1) To the extent permitted by the Statutes,

- (a) the Company may indemnify every Director, Secretary, other officer of the Company or the financial controller and audit staff of the Company against any liability (except for any liability in relation to a Director as mentioned in section 469(2) of the Ordinance) incurred by him in the execution and discharge of his duties or in relation thereto, including:
    - (i) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or
    - (ii) in connection with any application under the Statutes for relief from liability in which relief is granted to him by the court; and
  - (b) the Company may purchase and maintain for any Director, Secretary, other officer of the Company or any person employed by the Company as auditor:
    - (i) insurance against any liability to the Company, an associated company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or an associated company; and
    - (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or an associated company.
- (2) For the purposes of this Article, “associated company” shall have the meaning ascribed to it in the Ordinance.

\* \* \* \* \*

The following table sets out the details of the initial subscriber of the Company, the initial number of share(s) taken by the initial subscriber and the initial share capital of the Company on the 24<sup>th</sup> day of January 2007:-

NAME, ADDRESS AND DESCRIPTIONS OF INITIAL SUBSCRIBER	Number of Share(s) Taken by Initial Subscriber
<p style="text-align: center;">For and on behalf of HAREFIELD LIMITED (SD.) EVANS, PETER RONALD</p> <p style="text-align: center;">..... EVANS, PETER RONALD, Authorised representative Offshore Chambers, P.O. Box 217 Apia, Samoa Corporation</p>	ONE
<p style="text-align: center;">Total Number of Shares Taken .....</p> <p style="text-align: center;">Initial paid-up share capital of the Company</p>	ONE  HK\$1.00