



Articles of Association
(Reprinted inclusive of amendments up to 11 January 2023)

of

Chong Hing Bank Limited
創興銀行有限公司

Incorporated on 17 March 1955

No. 4158
編號



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

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

I hereby certify that
本人謹此證明

LIU CHONG HING BANK LIMITED
(廖創興銀行有限公司)

having by special resolution changed its name, is now incorporated under
經通過特別決議，已將其名稱更改，該公司的註冊名

the name of
稱現為

Chong Hing Bank Limited
創興銀行有限公司

Issued by the undersigned on 23 December 2006.
本證書於二〇〇六年十二月二十三日簽發。

A handwritten signature in black ink, appearing to be 'Nancy O.S. YAU'.

Miss Nancy O.S. YAU

for Registrar of Companies
Hong Kong 香港公司註冊
處處長

(公司註冊主任 邱愛琛 代行)

[COPY]

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

LIU CHONG HING BANK LIMITED (
廖創興銀行有限公司)

is this day incorporated in Hong Kong under the Companies Ordinance, (Chapter 32)

and that this Company is limited.

GIVEN under my hand and seal of office this Seventeenth day of March, One
Thousand Nine Hundred and Fifty-five.

(Sd.) W. ANEURIN JONES,
Registrar of Companies,
Hong Kong.

L.S.

The Memorandum of Association dated 11 March 1955 was removed with effect from 13 May 2016.

The initial subscribers of the Company, each of whom agreed to subscribe for one share in the Company, were:

LIU PO SHAN,
No. 4, Tsoi Tak Street, Wongneichong,
Hong Kong.

Merchant

LIU LIT MAN,
No. 4, Tsoi Tak Street, Wongneichong,
Hong Kong.

Merchant

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Public Company Limited by Shares

Articles of Association

(Reprinted inclusive of amendments up to 11 January 2023)

of

Chong Hing Bank Limited

創興銀行有限公司

("Company")

Exclusion of Model Articles

Other
regulations
excluded

1. No regulations set out in any statute, or in any statutory instrument or other subordinate registration made under any statute concerning companies shall apply as the regulations or Articles of the Company.

Interpretation

Interpretation

2. Unless the context otherwise requires, the following terms shall have the meanings prescribed:

"Articles" shall mean the Articles of Association of the Company for the time being in force or as altered from time to time;

"Associates" shall have the meaning as ascribed to it from time to time under the Listing Rules;

"Auditors" shall mean the persons for the time being performing the duties of that office;

"business day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in Hong Kong are required or authorised by law or executive order to be closed or on which a tropical cyclone warning signal no. 8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m., Hong Kong time;

"capital" shall mean the share capital from time to time of the Company;

“Companies Ordinance”	shall mean 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 include every other ordinance incorporated therewith or substituted therefor and in the case of any substitution the references in these Articles to the provisions of the Companies Ordinance are to be read as references to the provisions substituted therefor in the new ordinance;
“Company Secretary”	shall mean the person appointed for the time being performing the duties of that office or any other person appointed to perform any of the duties of the company secretary to the Company, including a joint, temporary, assistant or deputy company secretary;
“Connected Entities”	shall have the meaning as ascribed to it from time to time under the Companies Ordinance;
“Directors” or “Board”	shall mean the directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of Directors;
“electronic communication”	shall mean a communication sent by electronic transmission in any form through any medium, including, where applicable, communication by means of inclusion of the relevant information on the Company’s website;
“eligible members”	shall mean the members who would have been entitled to vote on the resolution on the circulation date of the resolution;
“Hong Kong”	shall mean the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	shall mean the Rules Governing the Listing of Securities on the Stock Exchange;
“Monetary Authority”	shall mean the Monetary Authority appointed under Section 5A of the Exchange Fund Ordinance (Chapter 66 of the Laws of Hong Kong);
“month”	shall mean a calendar month;
“Notice”	shall mean written notice (whether in printed form or

otherwise) unless otherwise specifically stated and as further defined in these Articles;

“register”	shall mean the register of members of the Company and include any branch register to be kept pursuant to the provisions of the Companies Ordinance;
“reporting documents”	shall mean:– (i) the financial statements for the financial year; (ii) the Directors’ report for the financial year; and (iii) the auditor’s report on those financial statements.
“seal”	shall mean the common seal or any other official seal from time to time of the Company;
“share”	shall mean share in the capital of the Company;
“Stock Exchange”	shall mean The Stock Exchange of Hong Kong Limited;
“summary financial report”	shall mean a financial report prepared under Section 439 of the Companies Ordinance;
“writing” or “printing”	shall include writing, printing, lithography, photography, type-writing and every other mode of representing words or figures in a legible and non-transitory form (including an electronic communication); and
“year”	shall mean a calendar year.

Words denoting the singular shall include the plural and vice versa.

Words importing any gender shall include every gender.

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

Headings and any marginal notes are used in these Articles for convenience only and shall not affect the construction of these Articles.

Subject as aforesaid, any words defined in the Companies Ordinance shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles.

Company Name and Liability of Members

3. The name of the Company is “**Chong Hing Bank Limited 創興銀行有限公司**”.
4. The registered office of the Company shall be at such place in Hong Kong as the Directors shall from time to time designate.
5. The Company shall have the capacity and the rights, powers and privileges of a natural person, and, in addition and without limitation, the Company may:
 - (i) carry on the business of banking in all its branches and departments, including exchange banking and business; the borrowing, raising or taking up money; the lending or advancing money, securities and property on such terms as may be thought fit; the counting, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrips and other instruments and securities, whether transferable or negotiable, or not; the granting and issuing of letters of credit and circular notes; the buying, selling and dealing in bullion and specie; the acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investment of all kinds; the acquisition, holding and dealing with movable and immovable property of all kinds; the negotiating of loans and advances; the receiving money and valuables on deposit or for safe custody or otherwise; the issuance of deposit or other receipts or acknowledgments either in a negotiable or transferable form or otherwise in respect of moneys deposited; the issuance of demand drafts negotiable or transferable or otherwise; the collecting and transmitting money and securities; the carrying on of a savings bank; the establishment of branches or agencies throughout the world; the management of property; and the transaction of all kinds of agency business commonly transacted by bankers;
 - (ii) carry on business as capitalists, financiers, concessionaires and merchants and to undertake and carry on and execute all kinds of financial, commercial trading and other operations;
 - (iii) carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the businesses referred to in paragraphs (i) and (ii) above or calculated directly or indirectly to enhance the value of or render profitable any of the Company’s property or rights;
 - (iv) act as agents of insurance companies, whether established in Hong Kong or elsewhere;
 - (v) acquire, and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company;
 - (vi) enter into partnership or into any arrangement for sharing profits, union of interests, cooperation, joint adventure, reciprocal concession or otherwise, with

any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorised to carry on or engaged in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same;

- (vii) take, or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company;
- (viii) enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such government, or authority, any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions;
- (ix) establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful objects;
- (x) promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company;
- (xi) generally purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property, and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade;
- (xii) hire, purchase, erect or otherwise to acquire a godown or godowns for any of the purposes of the Company and to carry on the business of godown keepers or warehousemen;
- (xiii) construct, maintain, and alter any buildings or works, necessary or convenient for the purposes of the Company;
- (xiv) invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined;
- (xv) advance, deposit or lend money, securities and property to or with such persons and on such terms as may seem expedient and either with or without security and in particular to customers and others having dealings with the Company, and to

guarantee the performance of contracts of any such persons;

- (xvi) guarantee or become liable for the payment of money or for the performance of any obligations and to transact all kinds of trust and agency business;
- (xvii) borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital, and to purchase, redeem or pay off any such securities;
- (xviii) remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business;
- (xix) draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments;
- (xx) discount, buy, sell and deal in bills, bonds, notes, warrants, coupons, drafts and other negotiable or transferable securities or documents;
- (xxi)
- (xxii) undertake and execute any trusts the undertaking whereof may seem desirable, and also to undertake the office of executors, administrator, receiver, treasurer, registrar or auditor, and to keep for any company, government, authority or body, any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise;
- (xxiii) sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company;
- (xxiv) obtain any provisional order or ordinance for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any legislation, proposals, proceedings, schemes or applications, whether of a like nature to those previously indicated in this paragraph or not, which may seem calculated, directly or indirectly, to prejudice the Company's interests;
- (xxv) procure the Company to be registered or recognised in any country or place outside Hong Kong;
- (xxvi) sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights

of the Company;

- (xxvii) purchase or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with property and rights of all kinds, and in particular mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns and undertakings and claims, privileges and choses in action of all kinds;
- (xxviii) take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company, and to obtain and justify public confidence, and to avert or minimise financial disturbances which might affect the Company;
- (xxix) distribute in specie assets of the Company properly distributable amongst the members;
- (xxx) do all or any of the above things in any part of the world and as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others; and
- (xxxi) do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

6. REPEALED

7. The liability of the members shall be limited to any amount unpaid on the shares held by the members.

Share Capital and Modification of Rights

8. Without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, distribution of assets, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or insofar as no specific provision is made, as the Board may determine) and any preference share may, with the sanction of an ordinary resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed. Issue of shares
9. The Board may issue warrants to subscribe for any class of shares or securities of the Company on such terms as the Board may from time to time determine provided that, to the extent necessary under the Companies Ordinance, prior to issue of such warrants, approval by the members in general meeting shall have been obtained to issue and allot shares upon exercise of subscription rights attached to such warrants. Issue of warrants to subscribe for shares
10. If at any time the share capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Ordinance, be varied, modified or abrogated with the consent in writing of the holders representing not less than seventy-five percent of the total voting rights of all the holders in that class having the right to vote or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum at such meeting (other than at an adjourned meeting) shall be not less than two persons present in person or by proxy (in case the Company has only one member, that member present in person or by proxy) together holding at least one-third of the total voting rights of all the holders in that class having the right to vote and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person or by proxy may demand a poll. How rights of shares may be modified

The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.

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

Shares

11. The Company may by ordinary resolution alter its share capital in any one or more of the ways set out in Section 170 of the Companies Ordinance or in any other manner authorised and subject to any conditions prescribed by these Articles. Power to increase capital
12. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, to all the existing holders of any Shares to be offered to existing members in certain cases

class of shares in the capital of the Company in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any provisions as to the issue and allotment of such new shares, and in the absence of any such determination or so far as the same shall not extend, such new shares shall be at the disposal of the Board.

New shares to form part of original capital

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

Shares at the disposal of the Board

14. Subject to the provisions of the Companies Ordinance and of these Articles, all shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms as the Board shall in its absolute discretion think fit.

Company may pay commissions

15. The Company may in connection with the issue of new shares or securities of any class exercise all powers of paying interest out of capital and of paying commission and brokerage conferred or permitted by the Companies Ordinance.

Company not to recognise trusts in respect of shares

16. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having Notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Purchase of own shares and financial assistance

Company may finance purchase of own shares

17. The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares or securities of any class (including any redeemable shares) or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or securities in the Company. Such powers shall be exercisable by the Board upon such terms and conditions as the Board thinks fit provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with the Companies Ordinance.

Share Certificates

Share certificates

18. Every person whose name is entered as a member in the register shall be entitled without payment to receive, within two months after allotment or lodgement of a proper instrument of transfer duly stamped (or within such other period as the conditions of issue shall provide), one certificate for all his shares of any particular class or several certificates each for one or more of his shares of such class, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each

such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

19. Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section 126 of the Companies Ordinance. Share certificate to be sealed
20. Every share certificate shall specify the number, class and distinctive numbers (if any) of the shares in respect of which it is issued and the amount paid up thereon and may otherwise be in such form as the Board may from time to time prescribe. No certificate shall be issued representing shares of more than one class. Every certificate to specify number of shares
21. The Company shall not be bound to register more than four persons as joint holders of any share and if any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of Notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share. Joint holders
22. If a share certificate is defaced, lost or destroyed, it may be replaced in respect of the same share(s) on payment of such fee, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit. In case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company all expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of the production of such indemnity. Where a certificate of title relating to any shares or warrants issued to bearer has been lost, no replacement certificate shall be issued unless the Board is satisfied beyond reasonable doubt that the original certificate has been destroyed and has received an indemnity in satisfactory form with regard to the issue of any new certificate. Replacement of share certificates

Lien

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

Lien extends to dividends and bonuses
24. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the Sale of shares subject to lien

lien exists is presently payable or the liability or engagement in respect of such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a Notice, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving Notice of intention to sell in default, shall have been given to the holder for the time being of the shares or the person entitled thereto by reason of such holder's death, bankruptcy or winding up or otherwise by operation of law or court order.

- Application of proceeds of sale 25. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise such person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares

- Calls 26. The Board may from time to time make such calls as it may think fit upon the members in respect of any moneys unpaid on their shares and not by the terms thereof made payable at a date fixed by or in accordance with such terms of issue. A call may be made payable either in one sum or by instalments and may be revoked or postponed as the Board may determine (as to all or any of the members).
- Notice of calls 27. At least fourteen days' Notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid; such Notice shall be sent to members in the manner in which Notices may be sent to members by the Company as herein provided.
- Every member liable to pay call at appointed time and place 28. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.
- Liability of joint holders 29. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.
- Interest on unpaid calls 30. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the payment is due shall pay all costs, charges and expenses that the Company may have incurred by reason of such non-payment together with interest on the outstanding part thereof at such rate not exceeding twenty percent per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such costs, charges, expenses or interest wholly or in part.
- Suspension of privileges while call unpaid 31. No member shall be entitled to receive any dividend or, bonus, new share resulting from any capitalisation issue, distribution of realised capital profits, or offer or grant made by the Company to the members unless the Board shall otherwise determine and without prejudice to other provisions of these Articles or to be present and vote (save as proxy for

another member) at any general meeting, either personally or by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

32. Any sum which, by the terms of allotment of a share is made payable upon allotment or at any fixed date, shall for all purposes of these Articles be deemed to be a call duly made, notified and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of costs, charges, interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment. Sums payable on allotment deemed on call
33. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty percent per annum as the Board may decide provided that until a call is made any payment in advance of a call shall not entitle the member to receive any dividend or to exercise any rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's Notice of its intention in that behalf, unless before the expiration of such Notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Payment of calls in advance

Forfeiture of Shares

34. If a member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter, during such time as any part thereof the call remains unpaid, without prejudice to the provisions of Article 31, serve a Notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and any expenses incurred by reason of such non-payment. Notice may be given if call or instalment not paid
35. The Notice shall name a further day (not less than fourteen days from the date of Notice) on or before which the payment required by the Notice is to be made, and it shall also name the place where payment is to be made. The Notice shall also state that in the event of non-payment at or before the time and the place appointed, the shares in respect of which such call was made will be liable to be forfeited. Form of Notice
36. If the requirements of any such Notice as aforesaid are not complied with, any share in respect of which the Notice has been given may at any time thereafter, before the payment required by the Notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture. If Notice not complied with, shares may be forfeited
37. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Board thinks fit. Forfeited shares to be deemed property of the Company

- Arrears to be paid notwithstanding forfeiture
38. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty percent per annum as the Board may prescribe, and the Board may enforce the payment thereof as it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article, any sum which, by the terms of issue of a share payable thereon at a fixed time which is subsequent to the date of forfeiture, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
- Evidence of forfeiture
39. A statutory declaration in writing that the declarant is a Director or Company Secretary, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- Notice after forfeiture
40. When any share shall have been forfeited, Notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such Notice or make any such entry.
- Power to redeem forfeited shares
41. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted, or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

Transfer of Shares

- Form of transfer
42. Subject to Article 167, all transfers of shares may be effected by transfer in writing in the usual form or in such other form as the Board may accept. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and may be retained by the Company.
- Execution of transfer
43. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee under hand or by such other manner as may be approved by the Board from time to time. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles

shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

44. The Board may, in its absolute discretion, refuse to register a transfer of any share which is not a fully paid up share. Directors may refuse to register a transfer
45. If the Board refuses to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee Notice of such refusal. If the transferor or transferee requests a statement of reasons for the refusal, the Board shall, within twenty-eight days after receiving the request, send to the transferor or transferee who made the request a statement of the reasons for the refusal. Notice of refusal
46. The Board may also decline to accept any instrument of transfer unless: Requirements as to transfer
- (i) such fee(s) as the Board may from time to time require is/are paid to the Company in respect thereof;
 - (ii) the instrument of transfer is accompanied by the certificate for the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (iii) the instrument of transfer is in respect of only one class of share;
 - (iv) the shares concerned are fully paid and free of any lien in favour of the Company;
 - (v) the instrument of transfer is properly stamped, if required;
 - (vi) in the case of a transfer to joint holders, the number of transferees does not exceed four; and
 - (vii) such other conditions as the Board may from time to time impose for the purpose of guarding against losses arising from forgery are satisfied.
47. Upon every transfer of shares, the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor, a new certificate in respect thereof shall be issued to him without charge. Certificate of transfer
48. The register may be closed at such times and for such periods as the Board may from time to time determine, provided always that the register shall not in any year be closed for more than thirty days (or, with the approval of the Company in general meeting, sixty days), Sundays and public holidays excepted. When register may be closed

Transmission of Shares

49. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a Death of registered holder or of joint holders of shares

deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

Registration of personal representatives and trustee in bankruptcy

50. Any person becoming entitled to a share in the Company in consequence of the death or bankruptcy or winding up of a member or otherwise by operation of law or by court order may, upon such evidence as to his entitlement being produced as may from time to time be required by the Board, and subject as hereinafter provided, has the right either be registered himself as holder of the share or elects to have some person nominated by him registered as the transferee thereof.

Notice of election to be registered

51. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a Notice signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall signify his election by executing in favour of his nominee an instrument of transfer of such share. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfers of shares shall be applicable to any such Notice or transfer as aforesaid as if the death, bankruptcy or winding up of the member had not occurred and the Notice or transfer were a Notice or transfer executed by such member.

Retention of dividends etc., until transfer or transmission of shares of deceased or bankrupt members

52. A person becoming entitled to a share in consequence of the death or bankruptcy or winding up of a member or otherwise by operation of law or by court order shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, and, subject to the requirements of Article 72 being met, may attend and vote at general meetings of the Company, but save as aforesaid, shall not be entitled to exercise in respect of the share any of the rights or privileges of a member until he shall have become registered as the holder thereof. The Board may at any time give Notice requiring any such person to elect either to be registered himself or to transfer the share and if the Notice is not complied with within sixty days, the Board may thereafter withhold payment of all dividends and other moneys payable in respect of the share until the requirements of the Notice have been complied with.

Alterations of Share Capital

53. 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 Companies Ordinance or in any manner authorised and subject to any conditions prescribed by law.

The Company shall have the power to consolidate, or divide the original or any increased share capital into several classes and to attach thereto any preferential, deferred, qualified or other special rights, privileges, restrictions or conditions.

Reduction of capital

The Company may by special resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by law.

General Meetings

When annual general meeting to be held

54. Subject to Sections 611, 612 and 613 of the Companies Ordinance, the Company shall in each financial year within nine months or such other period as may from time to time be required by

the Companies Ordinance after the end of the last preceding financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year in accordance with Section 610 of the Companies Ordinance and shall specify the meeting as such in the Notice calling it. The annual general meeting shall be held at such time and place as the Board shall appoint.

55. All general meetings other than annual general meetings shall be called general meetings. General meeting
56. The Board may, whenever it thinks fit, convene general meetings. Convening of
general meetings
57. An annual general meeting shall be called by not less than twenty-one days' Notice, and a meeting of the Company other than an annual general meeting shall be called by not less than fourteen days' Notice, or in any case such other minimum notice period as may be specified in the Companies Ordinance from time to time. The Notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given (as well as the day of the general meeting), and shall specify the place (and if the meeting is to be held in two or more places, the principal place of the meeting and the other place or places of the meeting), the day and the hour of meeting and, in case of special business, the general nature of that business, in case of an annual general meeting, state that the meeting is an annual general meeting, and in case a resolution (whether or not a special resolution) is intended to be moved at the meeting, includes the notice of the resolution and a statement containing any information or explanation that is reasonably necessary to indicate the purpose of the resolution. Notice of a general meeting shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such Notices from the Company, and to every member and Director of the Company. A meeting of the Company shall notwithstanding that it is called by shorter Notice than that specified in this Article or required by the Companies Ordinance, be deemed to have been duly called if it is so agreed:
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
 - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent of the total voting rights at the meeting of all the members having the right to vote.
58. The accidental omission to give Notice of a meeting or in cases where instruments of proxy are sent out with Notices, the accidental omission to send such instrument of proxy to, or the non-receipt of any such Notice or instrument of proxy by, any person entitled to receive Notice shall not invalidate any resolution passed or any proceedings at any such meeting. Omission to
give Notice

Proceedings at General Meetings

59. All business shall be deemed special that is transacted at a general meeting, and also all business that is transacted at an annual general meeting, with the exception of the declaration or sanctioning dividends; the consideration and adoption of the financial statements and the reports of the Directors and Auditors and other documents required to be annexed thereto; the election of Directors and appointment of Auditors and other officers in the place Special
business

of those retiring; and the fixing of the remuneration of the Auditors and the Directors.

- Quorum
60. Two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy is a quorum of a general meeting of the Company. If the Company has only one member, that member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy is a quorum of a general meeting of the Company. No business shall be transacted at any general meeting unless the requisite quorum is be present at the commencement of the business.
- If quorum not present, meeting to be dissolved or adjourned
61. If within fifteen minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place or at such other day, time and place as the chairman of the meeting may determine. If at such adjourned meeting, a quorum is not present within fifteen minutes of the time appointed for the adjourned meeting, the member or members present in person or by proxy (whatever the number of shares held by them) shall constitute a quorum.
- Chairman of general meeting
62. The chairman (if any) of the Board shall take the chair at every general meeting, or, if there is no such chairman or, if at any general meeting such chairman is not present within fifteen minutes after the time appointed for holding such meeting, the Directors present shall choose one of their number to act as chairman of the meeting, and if no Director is present, or if all the Directors present decline to take the chair, then the persons present and entitled to vote shall choose one of their number to be chairman of the meeting. For the purposes of this Article, any member shall be counted in quorum at a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of speaking to and hearing each other.
- Chairman's power to adjourn general meeting
63. The chairman of the meeting at which a quorum is present may, with the consent of the members, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the members shall determine.
- Business of adjourned meeting
64. Whenever a meeting is adjourned for fourteen days or more, at least seven days' Notice, specifying the place, the day and the time of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such Notice the nature of business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any Notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place unless due Notice thereof is given or such Notice is waived in the manner prescribed by these Articles.
- Voting to be by show of hands unless poll required or duly demanded
65. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:
- (i) the chairman of the meeting; or
 - (ii) at least two members present in person (or in the case of a member being a corporation,

by its duly authorised representative) or by proxy and entitled to vote at the meeting. If the Company has only one member, that member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote at the meeting; or

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

Unless a poll is so required or demanded and the demand is not withdrawn, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously, or by a particular majority, or lost, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

- 66. A poll demanded on the election of the chairman of a meeting, or on the question of adjournment of a meeting, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman of the meeting directs. No Notice need be given of a poll not taken immediately.

Poll

The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn with the consent of the chairman of the meeting, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

- 67. In the case of an equality of votes at any general meeting, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

Chairman to have casting vote

- 68. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Other business may proceed

- 69. If:
 - (i) any objection shall be raised to the qualification of any voter; or
 - (ii) any votes have been counted which ought not to have been counted or which might have been rejected; or
 - (iii) any votes are not counted which ought to have been counted,

Objection to qualification of vote and error in counting votes

the objection or error shall not vitiate the decision of the meeting or an adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

Resolution in writing by all members

70. Subject to the provisions of the Companies Ordinance, a resolution in writing signed by all the members for the time being entitled to receive Notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held when all eligible members have signed their agreement to it in accordance with Section 556 of the Companies Ordinance. A Notice of confirmation of such resolution in writing signed by or on behalf of an eligible member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more eligible members.

Votes of Members

Votes of members

71. Subject to any special rights, privileges or restrictions as to voting for the time being applicable to any share at any general meeting on a show of hands, every member present in person shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every fully paid up share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Votes in respect of deceased and bankrupt members

72. Any person entitled under Article 52 to be registered as a member may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders

73. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding, the first named being the senior.

Votes of member of unsound mind

74. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy.

Qualification for voting

75. Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.

Proxies

76. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll, votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

77. The instrument of appointment of a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under seal (if any) or under the hand of an officer or attorney duly authorised. Instrument appointing proxy to be in writing
78. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company, or delivered electronically to the Company or at such other place and in such manner as is specified in the Notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or a poll concerned and, in such event, the instrument appointing the proxy shall be deemed to be revoked. Validity of appointment of proxy
79. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve provided that in any event, such form shall include a provision whereby the member may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question. Form of proxy
80. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Authority under instrument appointing proxy
81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy (other than the deemed revocation as provided in Article 78) or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no Notice of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or delivered electronically to the Company or at such other place and in such manner as is referred to in Article 78, at least forty-eight hours before the commencement of the meeting or adjourned meeting at which the proxy is used. When vote by proxy valid though authority revoked
82. Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised 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 of the Company and references in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented by such duly authorised representative. Corporation acting by representatives at meetings

Board of Directors

- Constitution of Board 83. The number of Directors shall not be less than six and not more than twenty five.
- Election of Director 84. Subject to the provisions of these Articles, the Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board provided that (if required under any applicable legislation) the Monetary Authority shall have consented in writing to that person being appointed as a Director. Unless otherwise specified in the appointment, a Director holds office for an unlimited period.
- Board may fill vacancies 85. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these Articles to appoint any person to be a Director, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board provided that (if required under any applicable legislation) the Monetary Authority shall have consented in writing to that person being appointed as a Director.
- Removal of Director 86. The Company may by ordinary resolution remove any Director before the expiration of his period of office and may (subject to these Articles) by ordinary resolution appoint another person in his place.
- Alternate Directors 87. A Director may at any time, by Notice delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director in his place during his absence and may in like manner at any time determine such appointment provided that (if required under any applicable legislation) the Monetary Authority shall have consented in writing to that person being appointed as a Director. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved unless such person is another Director. Without prejudice to any applicable legislation, an alternate Director so appointed shall be deemed to be the agent of the Director who appoints him, and a Director who appoints an alternate Director shall be vicariously liable for any tort committed by an alternate Director while acting in the capacity of alternate Director.

The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.

An alternate Director shall (except when absent from Hong Kong) be entitled to receive Notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting. The provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall himself be a Director or shall attend any such meeting as an alternate for more than one Director, his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing

provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

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| 88. | A Director shall not be required to hold any qualification share but shall nevertheless be entitled to attend and speak at all general meetings of the Company and of any class of members of the Company. | No qualification shares for Directors |
| 89. | A Director shall be entitled to receive by way of remuneration for his services such sum as shall from time to time be determined by the Company in general meeting by ordinary resolution, except that in the event a Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only be entitled to a part of such sum in proportion to the time during such period for which he has held office. | Director's remuneration |
| 90. | The Directors shall also be entitled to be repaid all travelling and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged in the business of the Company or in discharge of their duties as Directors. | Director's expenses |
| 91. | The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary or commission or participation in profits or otherwise as may be arranged. | Special remuneration |
| 92. | Notwithstanding Articles 89, 90 and 91, the remuneration of the chairman, a deputy chairman, or other executive director or director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director. | Remuneration of Chairman, etc. |
| 93. | A Director shall vacate his office: | When office of Director to be vacated |
| | (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; | |
| | (ii) if he becomes a lunatic or of unsound mind; | |

- (iii) if he absents himself from the meetings of the Board during a continuous period of six months (whether or not an alternate Director appointed by him attends), without leave of absence from the Board, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited by law or court order from being a Director;
- (v) if by Notice delivered to the Company at its registered office he resigns his office;
- (vi) if he shall be removed from office by Notice served upon him signed by all of the other Directors (not being less than three in number); or
- (vii) if he ceases to be a Director by virtue of the Companies Ordinance or is removed from office pursuant to these Articles.

Directors may contract with Company subject to disclosure

94. No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract, transaction, proposed transaction or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract, transaction, proposed transaction or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall forthwith disclose the nature of his interest in any contract, transaction, proposed transaction or arrangement in which he, any of his Associates or his Connected Entities is interested as required by and subject to the provisions of the Companies Ordinance.

Directors may not vote on contract in which he or any of his Associates is materially interested

95. Notwithstanding that such disclosure is made as aforesaid, a Director shall not be entitled to vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract, transaction, proposed transaction or arrangement in which he or any of his Associates or Connected Entities is materially interested. If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or any of his Associates or Connected Entities or as to the entitlement of any Director to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be decided by a resolution of the Board (for which purpose such Director shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such Director as known to such Director has not been fairly disclosed to the Board.

Director may continue to be chairman, etc. of other company in which the Company may be interested

96. Any Director may continue to be or become the chairman, a deputy chairman, executive director, director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as the chairman, a deputy chairman, executive director, director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit provided however that a Director shall

not be entitled to vote on any resolution of the Board in relation to the appointment of himself as the chairman, a deputy chairman, executive director, director, manager or other officer of any such company which is a subsidiary of the Company and provided further that a Director may not vote (nor be counted in the quorum) on any resolution of the Board in relation to the exercise of voting rights attached to any shares in any company which is a subsidiary of the Company in relation to any contract, transaction, proposed transaction or arrangement in which he is materially interested (other than in his capacity as the chairman, a deputy chairman, executive director, director, manager or other officer of such company).

Subject to the provisions as set out in Sections 537, 538 and 539 of the Companies Ordinance, a general Notice to the Board by a Director that he is to be regarded as interested in any contract, transaction, proposed transaction or arrangement which may be made with any specified person, firm or corporation, including the nature and extent of such interest, after the date of such Notice shall be a sufficient declaration of interest in relation to any contract, transaction, proposed transaction or arrangement so made, provided that no such Notice shall be of effect unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.

General Notice by a Director disclosing his interest in contracts

97. A Director of the Company may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

Director may become director of any company promoted by the Company

98. Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditors to the Company.

Appointment and remuneration of Director in a professional capacity

Chairman and Executive Director, etc.

99. The Board may from time to time appoint any one or more of its body to the office of chairman, deputy chairman, or other executive director or director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide. Such appointment may be liable to termination at any time by the Board.

Power to appoint chairman, etc.

Management

100. The business of the Company shall be managed by the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Ordinance expressly required to be exercised by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting provided that no regulation so made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if

Power of Company vested in Directors

such regulation had not been made.

Power of
Company to
borrow
money

101. The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities (including, without limitation, bonds, convertible bonds and any other type of debt or equity or hybrid securities), whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Local boards

102. The Board may establish local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents for the Company and may fix their remuneration. The Board may delegate to any local boards, managers or agents any of the powers, authorities and discretions vested in or exercisable by the Board, with power to sub-delegate, and may authorise the members of any local boards or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without Notice of any such revocation or variation shall be affected thereby.

Power to
appoint
attorney

103. The Board may from time to time and at any time by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Power may be
delegated

104. The Board may from time to time entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without Notice of such revocation or variation shall be affected thereby.

Official seal

105. The Company may exercise all the powers conferred by the Companies Ordinance with regard to having official seals and such powers shall be vested in the Board.

Register of
Directors

106. Subject to the provisions of the Companies Ordinance, the Company may keep an overseas or local or other register in any place and the Board may make and vary such regulations as it may think fit respecting the keeping of any such register.

Cheques and
banking
arrangements

107. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time determine.

108. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.
- Power to establish pension funds

Proceedings of Directors

109. The Directors may meet together as frequently as they think fit for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. Five Directors shall be a quorum. For the purposes of this Article, an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is an alternate for more than one Director, he shall for quorum purposes count as only one Director. Any member of the Board or any committee of the Board may participate in and shall be counted in a quorum at a meeting of the Board or such committee by means of such telephone, electronic or other communication facilities which permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute present in person at such meeting.
- Meeting of Directors and quorum, etc.
110. A Director may, and on request of a Director, the Company Secretary shall, at any time convene meeting of the Board. Notice thereof shall be given to each Director either by word of mouth (whether or not over the telephone), or in writing sent to him in person, by post, by facsimile or by other electronic means to the address from time to time noticed to the Company by such Director or in such other manner as the Board may from time to time determine. A Director may consent to short notice of and may waive Notice of any meeting and any such waiver may be prospective or retrospective.
- Convening of Board meeting
111. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.
- Casting vote
112. The Directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- Chairman

- Power of meeting
113. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.
- Power to appoint committee and to delegate
114. The Board may from time to time delegate any of its powers to committees consisting of such of its member or members as the Directors think fit, and they may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
- Acts of committee to be of same effect as acts of Directors
115. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
- Proceedings of committee
116. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board (except that, unless otherwise determined by the Board, the quorum for such meetings shall be two such members).
- When acts of Directors or committee to be valid notwithstanding defects
117. All acts bona fide done by any meeting of the Board or by a committee of Directors or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid if every such person had been duly appointed and was qualified and continued to be a Director or member of such committee.
- Directors' powers when vacancies exist
118. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of convening a general meeting of the Company but for no other purpose.
- Resolutions in writing
119. A resolution in writing signed or approved by a majority of all the Directors except such as would be unable to vote on such resolution if considered at a meeting of the Directors by reason of having an interest as provided for in Article 95 or are temporarily unable to act through ill health or disability (or their alternates) for the time being entitled to receive Notice of a meeting of the Board shall be as valid and effectual as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one or more Directors (or his or their alternates). A resolution transmitted by a Director (or his alternate) to the Company by any means shall be deemed to be a document signed by him (or his alternate) for the purposes of this Article.

Company Secretary

- Appointment of Company Secretary
120. One or more Company Secretaries may from time to time be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any

Company Secretary so appointed may be removed by the Board.

121. A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the Company 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 Company Secretary.

Same person
not to act in
two capacities

Seal

122. The Board shall provide for the safe custody of every seal (including the common seal and any official seal of the Company) which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which a seal shall be affixed either (i) shall be signed by a Director and shall be countersigned by the Company Secretary or by a second Director or by one other person appointed by the Board for the purpose, or (ii), in lieu thereof, shall be signed by any two persons appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in the manner provided by this Article shall be conclusively deemed to be sealed and executed with the authority of the Directors previously given.

Custody of seal

Capitalisation of Reserves

123. Subject to the Companies Ordinance, the Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of the dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion, on condition that the same be not paid in cash but be applied as a capitalisation issue either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full the issue price of any shares, or debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other; and the Board shall give effect to such resolution.

Power to
capitalise

124. Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under Articles 123 and 138, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. The

Effect of
resolution to
capitalise

provisions of the Companies Ordinance in relation to the filing of contracts for allotment shall be observed and, the Board may appoint any person to sign such contract on behalf of the persons entitled to share in the distribution or capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised, or as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

When members may elect that shares be allotted to other persons

125. The Board may by Notice specify that members entitled to an allotment or distribution of shares or debentures pursuant to any capitalisation sanctioned under this Article may elect that all or a specified number (of such shares) or value (or such debentures, being an integral multiple of the face value of one of the relevant debentures) thereof shall be allotted or distributed to such person or persons as that member shall specify by Notice to the Company. Any such Notice may (at the discretion of the Board) be treated as void unless received at the place specified in the Notice given by the Board before the resolution effecting such capitalisation is passed.

Dividends and Reserves

Power to declare dividends

126. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

Board's power to pay interim dividends

127. The Board may from time to time resolve to pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may resolve to pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights with regard to dividend and provided that the Board acts bona fide, the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.

The Board may also resolve to pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits of the Company justify the payment.

Board's power to pay interim dividends

128. No dividend shall be payable except out of the profits or their distributable reserves of the Company available for distribution and in accordance with Part 6 of the Companies Ordinance. No dividend shall carry interest.

Scrip dividends

129. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:

- (i) the basis of any such allotment shall be determined by the Board;
- (ii) the Board, after determining the basis of allotment, shall give not less than one week's Notice to the shareholders of the right of election accorded to them and shall send with such Notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (iv) the dividend (or that part of the dividend in lien to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof, shares shall be allotted credited as fully paid up to the shareholders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company's reserve accounts as the Board may determine, a sum equal to the amount of cash dividend which would otherwise have been distributed in respect of the non-elected shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

130. The shares allotted pursuant to the provisions of Article 129 shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:

Shares allotted carry on right to participate in relevant dividend

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend,

unless, contemporaneously with the Notice by the Board of its proposal to apply the provisions of Article 128 in relation to the relevant dividend or contemporaneously with its Notice of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of Article 129 shall rank for participation in such distribution, bonus or rights.

131. The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of Article 129, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into, on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

Board's power to give effect to capitalisation

- Dividend may be satisfied by allotment of shares
132. The Company may, upon the recommendation of the Board, by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of Article 129, a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- Power not to allot shares in lieu of dividend
133. The Board may on any occasion determine that rights of election and the allotment of shares under Article 129 shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
- Reserves
134. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.
- Dividend to be paid in proportion to paid up capital
135. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend and subject to the terms of issue of any shares providing to the contrary, all dividends shall be declared and paid according to the amounts paid or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share.
- Retention of dividends and deduction of debts
136. The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Board may also deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.
- Dividend and call together
137. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.
- Dividend in specie
138. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution,

the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

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| 139. | A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer. | Effect of transfer |
| 140. | If two or more persons are registered as joint holders of any shares, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. | Receipt for dividends by joint holders of shares |
| 141. | Unless otherwise directed by the Board, any dividend or bonus may be paid by direct debit, bank transfer or other automated system of bank transfer, cheque or warrant and, in the case of a cheque or warrant, the same be sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. | Payment by post |
| 142. | All dividends or bonuses unclaimed for one year after having been payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having become payable may be forfeited by the Board and shall revert to the Company. | Unclaimed dividend |

Distribution of Realised Capital Profits

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| 143. | The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer | Distribution of realised capital profits |
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in full the whole of the liabilities and paid up share capital of the Company for the time being.

Accounts

- Accounts to be kept
144. The Board shall cause proper accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
- Where accounts are to be kept
145. The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open for inspection by the Directors.
- Inspection by members
146. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open for inspection by the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company, except as conferred by the Companies Ordinance or authorised by the Board or by the Company in general meeting.
- Reporting documents for the financial year
147. The Board shall from time to time in accordance with the provisions of the Companies Ordinance prepare and lay before the Company in general meeting the reporting documents for the financial year as are required by the Companies Ordinance.
- Annual report of Directors and balance sheet to be sent to members
148. (i) Subject to paragraph (ii) below, a printed copy of the Directors' report (which should contain a business review), accompanied by the reporting documents (including every document required by law to be annexed thereto, made up to the end of the applicable financial year) or a summary financial report (in such form as may be required by law from time to time) shall be sent to the registered address of each person entitled thereto at least twenty-one days before the date of the general meeting and laid before the Company at the annual general meeting held in accordance with Article 57 provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.
- (ii) Where a shareholder (a "Consenting Shareholder") has, subject to due compliance with all applicable laws, rules and regulations, consented to treat the publication of the relevant financial documents and/or the summary financial report on the Company's computer network as discharging the Company's obligation under law to send a copy of the relevant financial documents and/or the summary financial report, then publication by the Company, in accordance with law, on the Company's computer network, its website or in any other permitted manner (including by sending any form of electronic communication) of the relevant financial documents and/or the summary financial report at least twenty-one days before the date of the general meeting shall, in relation to each Consenting Shareholder, be deemed to discharge the Company's obligations under paragraph (i) above.

Audit

149. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Ordinance. Auditors
150. Subject as otherwise provided by the Companies Ordinance, the remuneration of the Auditors shall be fixed by the Company in general meeting provided always that in respect of any particular year, the Company in general meeting may delegate the fixing of such remuneration to the Board. Remuneration of Auditors
151. Every statement of accounts audited by the Auditors and presented by the Board at a general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive. When accounts to be deemed finally settled

Notices

152. Any Notice and/or document (including any corporate communication) from the Company to a member and/or any person entitled thereto may be served by publication on the Company's website, and/or by electronic mail and/or given in writing and/or in electronic form or facsimile transmission message and any such Notice, and (where appropriate) any other document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or electronic mail address or transmitting it electronically or facsimile transmission number supplied by him to the Company for the giving of Notice and/or sending a document to him or which the person transmitting the Notice and/or document reasonably and bona fide believes at the relevant time will result in the Notice and/or document being duly received by the member and/or any person entitled thereto or, in the case of any Notice, may be served by advertisement in appropriate newspapers, in each case, in accordance with and subject to the requirements of applicable legislation (including, without limitation, the Companies Ordinance). In the case of joint holders of a share, all Notices (and, where appropriate, any other document) shall be given to that one of the joint holders whose name stands first in the register and Notice (and, where appropriate, any document) so given shall be deemed a sufficient service on or delivery to all the joint holders. Service of Notices
153. Where the registered address of a member is outside Hong Kong, Notice, if given through the post, shall be sent by prepaid air mail letter. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of Notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any Notice which shall have been displayed at the registered office of the Company and shall have remained there for the time of twenty-four hours and such Notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed. Members outside Hong Kong
154. Subject to the Companies Ordinance, any Notice or other document (including any When Notice by any means deemed to be served

corporate communication) given or issued by or on behalf of the Company:

- (i) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the second business day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post. In proving such service of delivery, it shall be sufficient to prove that the envelope or wrapper containing the Notice or document was properly addressed and put in the post, and a certificate in writing signed by the Company Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice or other document was so properly repaid, addressed and put into the post shall be conclusive evidence thereof;
- (ii) if sent by electronic communication (other than by making the notice or document available on the Company's computer network or website), shall be deemed to have been served after it has been transmitted from the server of the Company or its agent, or any longer period as specified in the Companies Ordinance from time to time;
- (iii) if sent by making the Notice or document available on the Company's computer network or website, shall be deemed to have been served after its first posting on the computer network or website of the Company, or after receipt of the notice of availability from the Company which contains details as specified in the Companies Ordinance from time to time, whichever is later;
- (iv) if published, served or delivered in any other manner contemplated by these Articles, shall be deemed to have been published, served or delivered at the time of publication, personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such publication, service or delivery, a certificate in writing signed by the Company Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such publication, service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- (v) may, notwithstanding any provision in these Articles to the contrary but subject always to the requirements of applicable legislation and/or rules and regulations, be given to a member in either the English language or the Chinese language, or both; and for the purposes of this Article, such Notice and document shall include (but not limited to):
 - (a) the Directors' report, the Company's annual accounts together with a copy of the auditors' report and where applicable, its summary financial report;
 - (b) the interim report of the Company;
 - (c) a Notice of meeting; and
 - (d) a circular.

Service of
Notice to
persons entitled
on death,
mental disorder
or bankruptcy
of a member

155. A Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him by name, or by the title of representative of the deceased, or

trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the Notice in any manner in which the same might have been given if such death, mental disorder or bankruptcy had not occurred.

156. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every Notice in respect of such share which prior to his name and address being entered in the register shall have been duly given to the person from whom he derives his title to such share. Transferee to be bound by prior Notices
157. Any Notice or other document published on the Company's website, transmitted, delivered or sent by post to or left at the registered address of any member, in pursuance of these Articles shall, notwithstanding that such member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly published, transmitted, served or delivered in respect of any share registered in the name of such member as sole or joint holder unless his name shall, at the time of the publication, transmission, service or delivery of the Notice or document, have been removed from the register as the holder of the share, and such publication, transmission, service or delivery shall for all purposes be deemed a sufficient publication, transmission, service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Notice valid though member deceased
158. The signature to any Notice to be given by the Company may be written, typed, printed or made electronically. How Notice to be signed

Information

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

Untraced Members

160. Without prejudice to the rights of the Company under this Article, the Company may cease sending cheques or warrants in respect of any particular shares if cheques or warrants in respect of the shares in question have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques or warrants in respect of any particular shares after the first occasion on which such a cheque or warrant in respect of the shares in question is returned undelivered. Untraceable members

The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy if:

- (i) all cheques or warrants, being not less than three in total numbers, in respect of the shares in question sent during the relevant period in the manner authorised by the

Articles have remained uncashed;

- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of such member or person; and
- (iii) where such shares are listed on the Stock Exchange the Company has caused advertisements to be inserted in English in a specified English language newspaper and in Chinese in a specified Chinese language newspaper (within the meaning of Section 203 of the Companies Ordinance), giving Notice of its intention to sell such shares and has notified the Stock Exchange of such intention and a period of three months has elapsed since the date of the last of such advertisements.

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

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

Record Dates

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

Destruction of Documents

- Destruction of documents
162. The Company may destroy:
- (i) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
 - (ii) a dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate, variation, cancellation or notification was recorded by the Company;

- (iii) any instrument of transfer of shares which has been registered at any time after the expiry of twelve years from the date of registration; and
- (iv) any other document on the basis of which any entry in the register is made at any time after the expiry of twelve years from the date and entry in the register was first made in respect of it,

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

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

Winding up

163. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.

Division
of assets in
liquidation

164. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds, the liquidator may for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and members within each class. The liquidator may, with the like sanction, vest any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest any part of

Power of
liquidator

the assets in trustees upon such trusts for the benefit of the members as the liquidator with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets in respect of which there is a liability.

Service of
process

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

Indemnity

Indemnity

166. (i) Subject to the provisions of these Articles, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against any liability incurred by him or any of them as the holder of any such office or appointment to a person other than the Company or an associated company, including in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or associated company (as the case may be).
- (ii) Article 166(i) does not apply to:
- (a) any liability of the Director to pay -
 - (1) a fine imposed in criminal proceedings; or
 - (2) a sum payable by way of a penalty in respect of non-compliance with any requirement of a regulatory nature; or
 - (b) any liability incurred by a Director –
 - (1) in defending criminal proceedings in which the Director is convicted;
 - (2) in defending civil proceedings brought by the Company, or an associated company, in which judgment is given against the Director;
 - (3) in defending civil proceedings brought on behalf of the Company by a member of the Company or of an associated company, in which judgment is given against the Director;
 - (4) in defending civil proceedings brought on behalf of an associated

company by a member of the associated company or by a member of an associated company of the associated company, in which judgment is given against the Director; or

- (5) in connection with an application for relief under Section 903 or 904 of the Companies Ordinance in which the court refuses to grant the Director relief.

For the purpose of the foregoing, “associated company” means: (i) a subsidiary of the Company; a holding company of the Company; or a subsidiary of such a holding company.

- (iii) Subject to Section 468 of the Companies Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or other person so becoming liable as aforesaid from any loss in respect of such liability.
- (iv) The Company may purchase and maintain insurance for the benefit of the Company and/or any related company and/or of any Director, manager, Company Secretary or officer of the Company against:
- (a) (in the case of the Company and/or any related company) any loss, damage, liability and claim which it may suffer or sustain in connection with any breach by the Directors (and/or other officers and/or other persons) or any of them of their duties to the Company;
 - (b) (in the case of any Director, manager, Company Secretary or officer of the Company) any liability to the Company, a related 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 a related company; and
 - (c) (in the case of any Director, manager, Company Secretary or officer of the Company) 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 a related company.

For the purpose of this Article 166(iv), “related company” means any company that is the Company’s subsidiary or holding company or a subsidiary of that holding company.

Transfers of Shares to Controllers

167. (i) The Board shall decline to register or approve the registration of any transfer of shares if, to the knowledge of the Board, the registration or approval for registration of such shares would result in the transferee becoming a minority shareholder controller or a

Transfer of
shares to
controllers

majority shareholder controller (as respectively defined in sub-paragraphs (d) and (e) of paragraph (iii) of Article 168) unless at the time the instrument of transfer is lodged for registration with the Company or its registrars or at the time the approval of the Board to such registration is sought such instrument of transfer is accompanied by (in addition to the documents stated in sub-paragraph (ii) of Article 46) evidence satisfactory to the Board that:

- (a) the transferee has served on the Monetary Authority a Notice stating that the transferee intends to become such a shareholder controller of the Company; and
- (b) the Monetary Authority has given consent for such person to become a shareholder controller of the description in question or such person is otherwise entitled to become a shareholder controller in accordance with the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Indemnity

- (ii) This Article shall remain in force for so long as Article 168 remains in force. Thereafter this Article shall be deemed to be of no effect but the validity of anything done under or pursuant to this Article before that date shall not otherwise be affected and any actions taken hereunder before that date shall not be open to challenge on any grounds whatsoever. Words and expressions used in this Article shall, to the extent not otherwise defined, have the meanings attributed to them in Article 168.

Limitations on Shareholdings

Limitations on shareholdings

168. (i) The purpose of this Article is to prevent any person (other than a Permitted Person as defined below) becoming a minority shareholder controller or a majority shareholder controller of the Company without the prior approval of the Monetary Authority and to restrict the exercise of the voting power of any shares in respect of which such persons may be interested in circumstances where such approval has not been obtained.
- (ii) This Article shall remain in force for so long as the Company is an authorised institution unless the Monetary Authority otherwise agrees in writing. Thereafter this Article shall be deemed to be of no effect and any Notice calling for a Required Disposal (as defined below), and the powers of the Directors under this Article in respect of a Required Disposal, shall cease to have effect; but the validity of anything done under or pursuant to this Article before that date shall not otherwise be affected and any actions taken hereunder before that date shall not be open to challenge on any grounds whatsoever.
- (iii) In this Article:
- (a) “**associate**”, in relation to a person entitled to exercise, or control the exercise of, voting power in relation to, or holding shares in, the Company, means any other person in respect of whom that first-mentioned person has an agreement or arrangement, whether oral or in writing, express or implied, with respect to the acquisition, holding or disposal of shares or other interests in the Company or under which they act together in exercising their voting power in relation to it;

- (b) **“authorised institution”** has the meaning ascribed thereto in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong);
- (c) **“interest”**, in relation to shares, means any interest which would be taken into account in determining for the purposes of Part XV of the S&F Ordinance whether a person has a notifiable interest (including any interest which he would be taken as having for those purposes) and “interested” shall be construed accordingly;
- (d) **“minority shareholder controller”** means a person who either alone, or with any associate or associates, is entitled to exercise or control the exercise of 10 percent or more (but not more than 50 percent) of the total votes attaching to the Relevant Share Capital of all classes (taken as a whole) at any general meeting of the Company;
- (e) **“majority shareholder controller”** means a person who either alone, or with any associate or associates, is entitled to exercise or control the exercise of more than 50 percent of the total votes attaching to the Relevant Share Capital of all classes (taken as a whole) at any general meeting of the Company;
- (f) **“S&F Ordinance”** means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor and in the case of any substitution the references in these Articles to the provisions of the S&F Ordinance are to be read as references to the provisions substituted therefor in the new ordinance;
- (g) **“Permitted Person”** means:
 - (1) the chairman of a meeting of the Company or of a meeting of the holders of Relevant Share Capital or of any class thereof when exercising the voting rights conferred on him under paragraph (vii) of this Article;
 - (2) a trustee (acting in that capacity) of any employees’ share scheme of the Company;
 - (3) any person who has an interest but who, if the incidents of his interest were governed by the laws of Hong Kong, would in the opinion of the Board be regarded as a bare trustee of that interest, in respect of that interest only;
 - (4) an underwriter in respect of interests in shares which exist only by virtue of a contingent obligation to purchase or subscribe for such shares pursuant to an underwriting or sub-underwriting agreement or, for a period of three months, in respect of interests in shares purchased or subscribed for by it pursuant to such an obligation;
 - (5) any other person who under arrangement approved by the Directors subscribes or otherwise acquires Relevant Share Capital (or interests therein) which has been allotted or issued with a view to that person

(or purchasers from that person) offering the same to the public, for a period not exceeding three months from the date of the relevant allotment or issue (and in respect only of the shares so subscribed or otherwise acquired);

- (6) any person who has an interest, and who shows to the satisfaction of the Board that he has it by virtue only of being entitled to exercise or control the exercise (within the meaning of Section 316(4) of the S&F Ordinance) of one-third or more of the voting power at general meetings of a company which is a Permitted Person within (1) to (5) above;
- (h) **“Relevant Person”** means any person (whether or not identified) who is, or who appears to the Board or the Monetary Authority to be, a minority shareholder controller or a majority shareholder controller, or who is deemed for the purposes of this Article to be a Relevant Person;
- (i) **“Relevant Share Capital”** means the relevant share capital (as defined in Section 308 of the S&F Ordinance) of the Company;
- (j) **“Relevant Shares”** means all shares comprised in the Relevant Share Capital in which a Relevant Person has, or appears to the Board or the Monetary Authority to have, an interest or which are deemed for the purposes of this Article to be Relevant Shares; and
- (k) **“Required Disposal”** means a disposal or disposals of such a number of Relevant Shares as will cause a Relevant Person to cease to be a Relevant Person, not being a disposal to another Relevant Person (other than a Permitted Person) or a disposal which constitutes any other person (other than a Permitted Person) a Relevant Person;

For the purposes of this Article, where the Board resolves that it has made reasonable enquiries and that it is unable to determine:

- (a) whether or not a particular person has an interest in any particular shares comprised in the Relevant Share Capital, or
- (b) who is interested in any particular shares so comprised,

the shares concerned shall be deemed to be Relevant Shares and all persons interested in them to be Relevant Persons.

- (iv) If, to the knowledge of the Board, any person other than a Permitted Person is or becomes a Relevant Person (including, without limitation, by virtue of being deemed to be one) without the prior approval of the Monetary Authority, or if the Monetary Authority shall give Notice to the Company requiring the Directors so to do, the Board shall give Notice to all persons (other than persons referred to in paragraph (ix) of this Article) who appear to the Board to have interests in the Relevant Shares and, if different, to the holders of those shares. The Notice shall set out the restrictions referred to in paragraph (vii) of this Article and shall call for evidence satisfactory to the Board that the

Monetary Authority has approved the person to become a Relevant Person to be produced to the Board forthwith upon receipt of such Notice or failing which shall call for a Required Disposal to be made within twenty-one days of the giving of the Notice to the holder. The Board with the written consent of the Monetary Authority may extend the period in which any such Notice is required to be complied with and may withdraw any such Notice (whether before or after the expiration of the period referred to) if it appears to it that there is no Relevant Person in relation to the shares concerned. After the giving of such a Notice, and save for the purpose of a Required Disposal under this or the following paragraph, no transfer in respect of any of the Relevant Shares may be registered until either the Notice is withdrawn or a Required Disposal has been made to the satisfaction of the Board and registered.

- (v) If a Notice given under paragraph (iv) of this Article has not been complied with in all respects to the satisfaction of the Board and has not been withdrawn, the Directors shall, so far as they are able, make a Required Disposal and shall give Notice of the disposal to those persons on whom the Notice was served. The Relevant Person(s), the registered holder(s) and any other person interested in the shares forming the subject matter of the Required Disposal shall be deemed to have irrevocably and unconditionally authorised the Directors to make such Required Disposal. The manner, timing and terms of any such Required Disposal made or sought to be made by the Board (including but not limited to the price or prices at which the same is made and the extent to which assurance is obtained that no transferee, except a Permitted Person, is or would become a Relevant Person) shall be such as the Board determines, based on advice from bankers, brokers, or other appropriate persons consulted by them for the purpose, to be reasonably practicable having regard to all the circumstances, including but not limited to the number of shares to be disposed of and the requirement that the disposal be made without delay; and the Directors shall not be liable to any person for any of the consequences of reliance on such advice. If, in relation to a Required Disposal to be made by the Board, the Relevant Shares are held by more than one holder (treating joint holders of any Relevant Shares as a single holder) the Board shall cause as nearly as practicable the same proportion of each holding (so far as known to it) of the Relevant Shares to be sold.
- (vi) For the purpose of effecting any Required Disposal, the Board may authorise in writing any officer or employee of the Company to execute any necessary transfer on behalf of any holding and may enter the name of the transferee in the register in respect of the transferred shares notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee and an instrument of transfer executed by such person shall be as effective as if it had been executed by the registered holder of the transferred shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of the disposal shall be received by the Company, whose receipt shall be a good discharge for the purchase money, and shall be paid (without any interest being payable in respect of it and after deduction of any expenses incurred by the Directors in the sale) to the former registered holder (or in the case of joint holders, the first of them named in the register) together with, if appropriate, a new certificate in respect of the balance of the Relevant Shares to which he is entitled upon surrender by him or on his behalf of any certificate in respect of the Relevant Shares sold and

formerly held by him.

- (vii) A holder of a Relevant Share on whom a Notice has been given under paragraph (iv) of this Article shall not in respect of that share be entitled, until such time as the Notice has been complied with to the satisfaction of the Board and the Monetary Authority, or withdrawn, to attend or vote at any general meeting of the Company or meeting of the holders of Relevant Share Capital or of any class thereof, or to exercise any other right conferred by membership of the Company in relation to any such meeting; and the rights to attend (whether in person or by representative or proxy), to speak and to demand and vote on a poll which would have attached to the Relevant Share had it not been a Relevant Share shall vest in the chairman of any such meeting. The manner in which the chairman exercises or refrains from exercising any such rights shall be entirely at his discretion. The chairman of any such meeting shall be informed by the Directors of any share becoming or being deemed to be a Relevant Share.
- (viii) Without prejudice to the provisions of the S&F Ordinance and subject to the last paragraph of paragraph (iii) of this Article, the Board may assume without enquiry that a person is not a Relevant Person unless the information contained in the register appears to the Board to indicate to the contrary or the Board has reason to believe otherwise, in which circumstances the Board shall make reasonable enquiries to discover whether any person is a Relevant Person.
- (ix) The Board shall not be obliged to give any Notice required under this Article to be given to any person if it does not know either his identity or his address. The absence of such a Notice in those circumstances and any accidental error in or failure to give any Notice to any person to whom Notice is required to be given under this Article shall not prevent the implementation of, or invalidate, any procedure under this Article.
- (x) If any Director has reason to believe that a person (not being a Permitted Person) is a Relevant Person, he shall inform the other Directors.
- (xi) Save as otherwise provided in this paragraph, the provisions of these Articles applying to the giving of Notice of meetings to members shall apply to the giving to a member of any Notice required by this Article. Any Notice required by this Article to be given to a person who is not a member, or who is a member whose registered address is not within Hong Kong and who has not given to the Company an address within Hong Kong at which Notices may be given to him, shall be deemed validly served if it is sent through the post in a prepaid envelope addressed to that person at the address (or if more than one, at one of the addresses), if any, at which the Directors believe him to be resident or carrying on business. The Notice shall in such a case be deemed to have been given on the second business day following that on which the envelope containing the same is posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive evidence that the Notice was given.
- (xii) Any resolution or determination of, or decision or exercise of any discretion or power by, the Directors or any Director or by the chairman of any meeting under or pursuant to the provisions of this Article (including without prejudice to the generality of the foregoing as to what constitutes reasonable enquiry or as to the manner, timing

and terms of any Required Disposal made by the Directors under paragraph (v) of this Article) shall be final and conclusive; and any disposal or transfer made, or other thing done, by or on behalf of, or on the authority of, the Directors or any Director pursuant to the foregoing provisions of this Article shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever. The Directors shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Article.

- (xiii) This Article shall apply notwithstanding any other provision in these Articles which is inconsistent with or contrary to it.

Names, Addresses and Descriptions of Subscribers

(Sd.) LIU PO SHAN,
No. 4, Tsoi Tak Street,
Wongneichong,
Hong Kong

Merchant

(Sd.) LIU LIT MAN,
No. 4, Tsoi Tak Street,
Wongneichong,
Hong Kong.

Merchant

Dated 11 March 1955.

WITNESS to the above signatures:

HONG KONG.

(Sd.) Y. K. KAN,
Solicitor,