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ARTICLES OF ASSOCIATION

OF

CHINA ASSETS (HOLDINGS) LIMITED
中國資本(控股)有限公司

Incorporated the 5th day of March, 1991.

HONG KONG

THE COMPANIES ORDINANCE

Company Limited by Shares

ARTICLES OF ASSOCIATION

OF

CHINA ASSETS (HOLDINGS) LIMITED

中國置業(控股)有限公司

1A. The name of the Company is “CHINA ASSETS (HOLDINGS) LIMITED 中國資本(控股)有限公司”

1B. The Registered Office of the Company will be situate in Hong Kong.

1C. The liability of the members is limited.

We, the several persons, whose names, addresses and descriptions are hereto subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:—

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
(Sd.) Li Ho Shan, Director Apex (Nominees) Limited Li Ho Shan, Director 15/F., Chung Nam Building, 1 Lockhart Road, Hong Kong. Corporation	ONE
(Sd.) Li Ho Shan, Director Apex Secretaries Limited Li Ho Shan, Director 15/F., Chung Nam Building, 1 Lockhart Road, Hong Kong. Corporation	ONE
Total Number of Shares Taken.	TWO

Dated the 28th day of February, 1991.
WITNESS to the above signatures:

(Sd.) Yip Tak On
Accountant
15/F., Chung Nam Building,
1 Lockhart Road,
Hong Kong.

PRELIMINARY

1. In these presents unless there is something in the subject or context inconsistent therewith:—

“Articles” or “these presents” means the Articles of Association of the Company as revised or amended from time to time;

“associate(s)” shall have the meaning ascribed to that term in the Listing Rules;

“Board” means the board of directors of the Company as constituted from time to time;

“business day” means a day on which the Stock Exchange is open for the business of dealing in securities;

“Capital” means the share capital from time to time of the Company;

“Chairman” means the chairman elected by the Board from time to time;

“clearing house” means a clearing house recognised by the Securities and Futures Commission of Hong Kong;

“Company” or “this Company” means China Assets (Holdings) Limited 中國資本(控股)有限公司

“connected person(s)” shall have the meaning ascribed to that term in the Listing Rules;

“Directors” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present, and references in these Articles to Directors shall be to both executive and non-executive Directors unless otherwise indicated;

“general meeting” means a general meeting of the Company;

“in writing” or “written” includes printing, lithography and other means of representing or reproducing words or figures in a visible form;

“Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as revised or amended from time to time;

“Management Agreement” means the management agreement dated 28th March, 1991 (as amended from time to time) between the Company and China Assets Investment Management Limited 中國資本投資管理有限公司 and any other contract or agreement which may be entered into from time to time by the Company with any Manager;

“Manager” means any person, firm or corporation appointed and for the time being acting as manager of the Company’s affairs;

“member” or “shareholder” means a person who is registered as the holder of shares in the capital of the Company;

“mental incapacity” shall have the meaning ascribed to that term in the Mental Health Ordinance (Cap. 136 of the Laws of Hong Kong) and “mentally incapacitated” shall be construed accordingly;

“month” means calendar month;

“office” means the registered office of the Company from time to time;

“Ordinance” means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) as revised or amended from time to time;

“paid up” or “paid” includes credited as paid up or paid;

“register” means the register of members to be kept pursuant to the Ordinance;

“Registrar” means the share registrar of the Company from time to time which must be an approved share registrar as defined in the Listing Rules;

“secretary” includes any person appointed to perform the duties of secretary temporarily and any duly appointed assistant secretary;

“share” means share in the capital of the Company;

“Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“year” means calendar year; and

“%” means per cent.

2. (A) The singular includes the plural and vice versa. Words importing any gender include the other genders.
 - (B) Save as aforesaid any words or expressions defined in the Ordinance shall if not inconsistent with the subject or context bear the same meaning in these presents.
 - (C) The headings shall not affect the construction of these presents.
3. The regulations contained in the model articles mentioned in the Companies Ordinance shall not apply to the Company.

CAPITAL AND SHARES

4. (A) The share capital of the Company on its incorporation shall consist of two shares subscribed by the two founder members at US\$0.10 each, totalling US\$0.20, fully paid.

(B) Subject to the provisions of the Ordinance (and in particular section 141 thereof), the Articles and the Listing Rules relating to new shares, all unissued shares in the Company including any new shares created upon an increase of capital shall be under the control of the Directors who may offer, allot, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as the Directors shall in their sole and absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Ordinance. Notwithstanding the foregoing, the Company may, subject to the provisions of the Listing Rules, adopt any scheme for which the Company may grant any options for its shares to its Directors, officers, employees and any other person(s) as permitted under the Ordinance, the Listing Rules and the Articles.

(C) The Company may exercise all powers conferred on the Company or permitted by or not prohibited by or not inconsistent with the Ordinance or any other applicable ordinance, statute, act or law from time to time applicable to the Company to acquire shares and warrants of the Company or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares and warrants of the Company and if the Company should acquire its own shares or warrants neither the Company nor the Directors shall be required to select the shares or warrants to be acquired rateably or in any other particular manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares; provided always that any such acquisition or financial assistance shall only be made or given in accordance with any relevant rules, codes or regulations issued by the Stock Exchange, the Securities and Futures Commission of Hong Kong or any other relevant regulatory authorities from time to time.

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

(B) The Directors may, upon the prior approval of the members and in accordance with the relevant provision in the Listing Rules, issue warrants to subscribe for any class of shares or securities of the Company on such terms

as they may from time to time determine. Where share warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and they have received an indemnity in satisfactory form with regard to the issue of any new warrant.

6. (A) Subject to the provisions, if any, of the Articles of Association and 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, return of share capital or otherwise, as the Company may from time to time by ordinary resolution determine (or in the absence of any such determination or so far as the same shall not make any specific provisions, as the Directors may determine) and any preference share may, with the sanction of a special resolution, be issued on terms that it is, or at the option the Company is liable, to be redeemed on such terms and in such manner as the Company may by such special resolution determine.

(B) The Company may by ordinary resolution, before the issue of any new shares, make any provisions as to the issue and allotment of such shares including, but without prejudice to the generality of the foregoing, a provision that the new shares or any of them shall be offered in the first instance to all the holders for the time being of shares of any class in proportion to the number of the shares held by them respectively but in default of any such determination such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

(C) Where redeemable shares are issued by the Company, the Company shall have the power to purchase such shares for redemption subject to the terms and conditions on which the redeemable shares are issued which must include provisions that (a) if the purchase by the Company is not made through the market or by tender, it shall be limited to a maximum price as determined by the terms and conditions on which the redeemable shares are issued and (b) if the purchase is by tender, the tender shall be available to all shareholders alike,

(D) Where shares are issued with no voting rights, the words “non-voting” must appear in the designation of such shares.

(E) Where shares are issued with voting rights different from those of ordinary shares of the Company, the designation of each class of such shares (other than those with the most favourable voting rights) must include the words “restricted voting” or “limited voting”.
7. (A) If at any time the capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 180 of the Ordinance, be varied with the consent in writing of the holders representing at least 75% of the total voting rights of holders of shares of that class or with

the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To any such separate general meeting all the provisions of the Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one or more persons holding or representing by proxy or authorised representative not less than one-third of the issued shares of the class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, that any holder of shares of the class present in person or by proxy or authorised representative may demand a poll and that at any adjourned meeting of such holders one holder present in person or by proxy or by authorised representative (whatever the number of shares held by him) shall be a quorum.

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

8. Except as otherwise expressly provided by the Articles or required by law or 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 (except only as by the Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

9. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company save that nothing in the Articles shall prohibit transactions not prohibited by the Ordinance.

REGISTER OR MEMBERS AND SHARE CERTIFICATES

10. The Directors shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Ordinance.

11. (A) After an allotment of shares, every allottee whose name is entered as a member in the register shall be entitled without payment to receive within two months after such allotment (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the allotment is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment of HK\$2.5 (which may be varied provided that the same shall not exceed the maximum fee prescribed by the Stock Exchange from time to time) for every certificate after the first such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly

by several persons the Company shall not be bound to issue a certificate or certificates to each such person and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

(B) After a transfer of shares, every transferee whose name is entered as a member in the register shall be entitled upon payment of HK\$2.5 (which may be varied provided that the same shall not exceed the maximum fee prescribed by the Stock Exchange from time to time) to receive within 10 business days after lodgment of such transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment of HK\$2.5 (which may be varied provided that the same shall not exceed the maximum fee prescribed by the Stock Exchange from time to time) for every certificate after the first such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

(C) Every certificate for shares, warrants, options or debentures or representing any other form of security of the Company shall be issued in such form as the Directors may from time to time determine.

(D) Every share certificate hereafter issued shall specify the number of shares in respect of which it is issued and may otherwise be in such form as the Directors may from time to time prescribe.

12. If a share certificate is defaced, worn out, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding HK\$2.5 (which may be varied provided that the same shall not exceed the maximum fee prescribed by the Stock Exchange from time to time) and on such terms and conditions, if any, as to publication of notices, evidence and indemnity and to payment of any exceptional costs and the reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Directors may think fit and, where it is defaced or worn out, after delivery of the defaced or worn out certificate to the Company.

13. (A) The Company shall not be bound to register more than 4 persons as joint holders of any share.

(B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of the Articles, all or any other matters connected with the Company, except the transfer of the share.

LIEN

14. 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 that share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a single member for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member and whether the period for the payment or discharge of the same shall have actually arrived or not and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not; but the Directors may at any time declare any share to be for some specified period wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends, bonuses and distributions payable in respect thereof.

15. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the share, or the person entitled thereto by reason of the death, mental incapacity or bankruptcy of the registered holder.

16. The net proceeds of the sale after the payment of the costs of such sale shall be received by the Company and applied in or towards payment, fulfilment or discharge of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable or due to be fulfilled or discharged, and any residue shall (subject to a like lien for debts or liabilities or engagements not presently payable or due to be fulfilled or discharged as existed upon the shares prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the shares sold) be paid to the person who was the holder of such shares immediately before the sale of such shares. For giving effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer and he 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

17. The Directors may from time to time make such calls as they may think fit upon the members in respect of all or any part of the moneys unpaid on the shares held by them respectively and not by the conditions of issue or allotment thereof made payable at a date fixed by or in accordance with such terms of issue or allotment; and each member shall (subject to receiving at least 14 days' notice specifying the time and place of payment and to whom such call shall be paid) pay to the Company at the time and place and to the person so specified the amount called on his shares.

18. A call shall be deemed to have been made when the resolution of the Directors authorising such call is passed and may be made payable in one sum or by instalments. A call may be revoked or postponed as the Directors may determine.

19. A person upon whom a call is made shall remain liable on such call notwithstanding any subsequent transfer of the shares in respect of which the call was made.

20. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share or other moneys due in respect thereof.

21. The Directors may from time to time at their discretion extend the time fixed for any call and may extend such time as regards all or any of the members whom, by reason of residence outside Hong Kong or other cause, the Directors may deem entitled to any such extension but no member shall be entitled to any such extension except as a matter of grace and favour.

22. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 20% per annum as the Directors shall fix from the day appointed for the payment thereof to the time of the actual payment but the Directors shall be at liberty to waive payment of that interest wholly or in part.

23. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member who is entitled) at any general meeting, either personally or by proxy or authorised representative or be reckoned in a quorum or to exercise any other privilege as a member until all calls and 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.

24. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of the Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matters whatsoever and the proof of the matters aforesaid only shall be conclusive evidence of the existence of the debt.

25. Any sum which by the terms of issue or allotment of a share becomes payable upon allotment or at any date fixed by or in accordance with such terms of issue or allotment shall for all the purposes of the Articles be deemed to be a call duly made, notified and payable on the date on which by the terms issue or allotment the same becomes payable. In case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

26. The Directors may make arrangements on the issue of shares for differences in the amount of calls to be paid and in the times of payment between one allottee or holder and another.

27. The Directors may, if they think fit, receive from any member willing to advance the same and either in money or money's worth all or any part of the moneys uncalled and unpaid or instalments not yet payable upon any shares held by him; and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding, without the sanction of the Company in general meeting, 6% per annum) as may be agreed upon between the member paying the sum in advance and the Directors. The Directors may at any time repay the amount so advanced or any part thereof upon giving to such member not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount proposed to be repaid shall have been called up on the shares in respect of which it was advanced in which event the same shall be applied in or towards satisfaction of the call under the applicable provisions of the Articles.

FORFEITURE OF SHARES

28. If a member fails to pay in full any call or instalment of a call on the day appointed for the payment thereof, the Directors may at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 23, 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.

29. The notice shall name a further day (not earlier than 14 days the date of service of the notice) on or before which and the place where the payment required by the notice is to be made and shall state that in the event on non-payment at or before the time and at the place appointed the shares in respect of which the call was made will be liable to be forfeited.

30. 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 Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares but not paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder and in such case, references in the Articles to forfeiture shall include surrender.

31. Until cancelled in accordance with the requirements of the Ordinance, any share so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to the person who was, before the forfeiture, the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Directors think fit and at any time before a sale or disposition thereof the forfeiture may be cancelled on such terms as the Directors think fit.

32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all calls already made and moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares and without any deduction or allowance for the value of the shares at the date of forfeiture (together with interest thereon at such rate not exceeding 20% per annum as the Directors may prescribe from the date of forfeiture if the Directors think fit to enforce payment of such interest) but his liability shall cease if and when the Company shall receive payment in full of all such calls, monies and interests in respect of the shares. For the purposes of this Article, any sum which by the terms of issue of a share is payable thereon at a fixed time which is subsequent to the date of forfeiture shall, notwithstanding that such time has not yet arrived be deemed to be payable 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, if later, the date of actual payment.

33. A statutory declaration in writing to the effect that the declarant is a Director or the secretary of the Company and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale, reallocation or disposition thereof and may, subject to the restrictions contained in the Articles, execute a transfer of the share in favour of the person to whom the share is sold, reallocated 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, reallocation or disposal of the share.

34. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid.

35. (A) Notwithstanding any such forfeiture as aforesaid, the Directors may at any time, before any shares so forfeited shall have been sold, reallocated or otherwise disposed of, permit the shares forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares and upon such further terms (if any) as they think fit.

(B) The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

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

TRANSFER OF SHARES

40. (A) All transfers of shares may be effected by an instrument of transfer in any usual or common form or in such other form as may be prescribed by the Stock Exchange or in such form as the Directors may accept and may be under hand or by machine printed signatures or by such other manner of execution as the Directors may approve from time to time. Where applicable, the imprinted signatures on behalf of HKSCC Nominees Limited (or any successor thereto) on any instrument of transfer, whether as a transferor or a transferee, shall be accepted for transferring shares of the Company.
- (B) The instrument of transfer shall be executed by or on behalf of both the transferor and the transferee. Notwithstanding the foregoing, the Board may dispense with the execution of any instrument of transfer by the transferee in any case which it thinks fit in its discretion. The Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
- (C) The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register in respect thereof.
- (D) All transfers of shares and other documents relating to or affecting the title to any registered securities must be registered with the Company, otherwise no person to which any shares are purported to transfer shall be recognised by the Company as its shareholders or to have any rights derived from any shares of the Company.
41. (A) Nothing in the Articles shall preclude the Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. The Directors may decline to register any transfer of shares which are not fully paid up to a person of whom they do not approve and they may also refuse to register any transfer of a share (not being a fully paid up share) on which the Company has a lien. The Director shall not register a transfer to a person who is known to them to be an infant or a person who is mentally incapacitated or under any other legal disability but the Directors shall not be bound to enquire into the age of or soundness of mind or legal ability of any transferee. The Directors may refuse to register any transfer of shares (whether fully paid or not) in favour of more than 4 persons jointly.
- (B) Fully-paid shares shall be free from any restrictions on the right of transfer (except when permitted by the Stock Exchange) and shall also be free from all lien.

42. Every instrument of transfer shall be left at the office of the Registrar or at such other place as the Directors may appoint for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Directors may reasonably require to prove the title of the transferor or his right to transfer the shares. If the Directors refuse to register a transfer they shall within 2 months after the date on which the transfer was lodged with the Company send to each of the transferor and transferee notice of the refusal. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same together with the share certificate and such other evidence as aforesaid within 2 months after the date on which the transfer was lodged with the Company.

43. The Directors may also decline to recognise any instrument of transfer unless:-

- (i) a fee of HK\$2.5 (which may be varied provided that the same shall not exceed the maximum fee prescribed by the Stock Exchange from time to time) or such lesser sum as the Directors may from time to time require is paid to the Company for registering any transfer or other document relating to or affecting the title to the shares involved or for otherwise making an entry in the register relating to such shares;
- (ii) the instrument of transfer is in respect of only one class of share; and
- (iii) the instrument of transfer is properly stamped.

44. Upon every transfer of shares the certificate relating to the shares to be transferred 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.

45. The registration of transfers may be suspended and the register closed at such times and for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended or the register closed for more than thirty days in any year or, if the Company in general meeting approves, sixty days in any year.

UNTRACED SHAREHOLDERS

46. The Company may sell the shares of any 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 number, for any sum payable in cash to the holder of such shares in respect of them sent in the manner authorised by the Articles have remained uncashed for a period of 12 years;

(ii) the Company has not at any time during the relevant period received any indication of the existence of such member or other person; and

(iii) on expiry of the period of 12 years the Company has (a) caused an advertisement to be published in such one or more newspapers as prescribed by the Listing Rules and a newspaper circulating in the area of the address at which service of notices upon such member or other person may be effected in accordance with the Articles, giving notice of its intention to sell such shares; and (b) notified the Stock Exchange of such intention, and a period of three months has elapsed since the date of such advertisement or notice, whichever is the later.

To give effect to any such sale the Directors may authorise any person to transfer the said shares 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 moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale shall 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 moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

TRANSMISSION OF SHARES

47. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder and the legal personal representatives of the deceased where he was a sole holder shall be the only person(s) recognised by the Company as having any title to his interest in the share; but nothing herein contained shall release the estate of the deceased (whether sole or joint holder) from any liability in respect of any share which had been held by him jointly with other persons or solely.

48. Any person to whom the right to any share has been transmitted by death, bankruptcy or operation of law may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the shares, whether in whole or part, or to have some person nominated by him registered as the transferee thereof, whether in whole or part, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares by the original member before the event giving rise to the transmission. The merger of any two or more corporations under the laws of one or more foreign countries or states shall constitute a transmission by operation of law for the purposes of this Article.

49. If the person so becoming entitled shall elect to be registered himself, whether in whole or part in respect of the shares involved, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered in respect of the shares the right to which has been so transmitted, he shall testify his election by executing in favour of that person a transfer of the relevant shares. All the limitations, restrictions and provisions of the Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the transmission had not occurred and the notice or transfer were a transfer signed by the original holder.

50. Any person to whom the right to any share has been transmitted by operation of law shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. Provided always that the Directors 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 90 days the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with but, subject to the requirements of Article 74 being met, such person may vote at meetings of the Company.

ALTERATION OF CAPITAL

51. 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 Ordinance (or such applicable provisions of the Ordinance in effect from time to time).

51A. The Company may by the resolution increasing the capital direct that the new shares or any of them shall be offered in the first instance to all the shareholders for the time being in proportion to the numbers of shares held by them respectively, or make any other provisions as to the issue of the new shares. In the absence of any such direction, the new shares shall be at the disposal of the Directors subject to the provisions of the Listing Rules.

52. Except so far as otherwise provided by the conditions of issue or the resolution creating the same, or by the Articles, any new shares issued as a consequence of an alteration of capital shall be subject to the same provisions with reference to the payments of calls and instalments, liens, transfer, transmission, forfeiture, cancellation, surrender, voting and otherwise as the shares in the original capital.

54. The Company may by special resolution reduce its share capital in accordance with Division 3 of Part 5 of the Ordinance (or such applicable provisions of the Ordinance in effect from time to time).

GENERAL MEETING

55. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it in accordance with the provisions of the Ordinance provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

56. The Directors may, whenever they think fit, convene an extraordinary general meeting and extraordinary general meetings shall also be convened on such requisition, or in default may be convened by such requisitions, as provided by Section 566 of the Ordinance. If at any time there are not within Hong Kong sufficient Directors capable of acting to form a quorum, any Director or any three members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

56A. The Company may hold a general meeting at two or more places using any technology that enables the members who are not together at the same place to listen, speak and vote at the meeting, subject to any rules and procedures as the Board may decide from time to time.

NOTICE OF GENERAL MEETINGS

57. An annual general meeting and a meeting called for the passing of a special resolution shall be called by 21 days' notice in writing at the least and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by 14 days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such and the notice convening a meeting to pass a special resolution shall specify the intention to propose the relevant resolution as a special resolution.

58. Subject to the foregoing Article, the notice of every 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 the Articles entitled to receive such notices from the Company provided that subject to the provisions of the Ordinance and the Listing Rules, a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:—

- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% of the total voting rights of all the members having a right to vote at the meeting.

59. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any meeting.

60. In cases where instruments of proxy are or are to be sent out with notices, the accidental omission to send such instruments of proxy to or the non-receipt of such instruments of proxy by any person entitled to receive notice shall not invalidate any resolution passed or any proceedings at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. All business shall be deemed special that is transacted at an extraordinary general meeting and at an annual general meeting, with the exception of the declaration and sanctioning of a dividend, making a call in accordance with the provisions of the Articles, the reading, consideration and adoption of the accounts, balance sheet and the reports of the Directors and the auditors and other documents required to be annexed to the balance sheet, the election of Directors in the place of those retiring at the meeting whether by rotation or otherwise, the appointment of the auditors (where special notice of the resolution for such appointment is not required by the Ordinance) and the fixing, or the determination of the method of fixing, of the remuneration or extra remuneration of the Directors and of the auditors.

62. For all purposes the quorum for a general meeting shall be two members entitled to vote present in person or by separate proxy or representative. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business provided that the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.

63. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Directors and if at the adjourned meeting a quorum is not present within fifteen minutes from the time appointed for the meeting, any two members present shall be a quorum and may transact the business for which the meeting was called.

64. Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

65. The chairman, if any, of the Directors or, in his absence, the deputy chairman, if any, shall preside as chairman at every general meeting of the Company.

66. If there is no such chairman or deputy chairman or if at any meeting neither of such chairman or deputy chairman is present within 15 minutes after the time appointed for holding the meeting or is willing to act as chairman, the members present shall choose another director as chairman and if only one Director shall be present he shall, if willing to act, preside as chairman. If no Director shall be present or if all the directors present decline to take the chair or if the chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be the chairman.

67. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' written notice specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

68. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands):

- (i) demanded by the chairman;
- (ii) demanded by at least three members present in person or by proxy or representative for the time being entitled to vote at the meeting;
- (iii) demanded by any member or members present in person or by proxy or representative and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) required pursuant to the provisions of the Listing Rules.

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

69. If a poll is duly demanded or is required, it shall (subject as provided in Article 72) be taken in such manner (including the use of ballot or voting papers or tickets or scrutineers) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was demanded, as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. No notice need be given of a poll not taken immediately. The demand for a poll may be withdrawn with the consent of the chairman at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

70. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by the Articles or by the Ordinance. In the event of an equality of votes whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting voting.

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

72. A poll duly demanded on the election of a chairman of a meeting or on a question of adjournment shall be taken forthwith at the meeting and without adjournment. A poll demanded on any other question shall be taken at such time (being not later than thirty days after the date of the demand) and place as the chairman of the meeting directs.

72A. On a poll taken at a meeting of the Company or a meeting of any class of members of the Company, a member entitled to more than 1 vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

72B. If voting at a general meeting is taken on a poll, the Company shall announce the results of the poll in accordance with the provisions of the Listing Rules.

VOTES OF MEMBERS

73. Subject to any rights, privileges or restrictions for the time being attached to any class or classes of shares, on a show of hands every member (holding any class of shares) present in person or by proxy or by authorised representative (in case of a member who is a corporation or a clearing house) shall have one vote, and on a poll every member present in person or by proxy or by authorised representative (in case of a member who is a corporation or a clearing house) shall have one vote for each share of which he is the holder and which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purpose of this Article as paid up on the share). A person entitled to cast more than one vote upon a poll need not use all his votes or cast all the votes he uses in the same way.

74. Any person entitled under Article 48 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of such shares or the Directors shall have previously admitted his right to vote as such meeting in respect thereof.

75. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy or by representative, 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. Several executors or administrations of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

76. A member who is mentally incapacitated or in respect of whom an order has been made by any court having jurisdiction in cases of mental incapacity, 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, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than 48 hours (excluding any part of a day that is a public holiday) before the time for holding the meeting, or adjourned meeting or poll, as the case may be.

77. If (a) any objection shall be raised to the qualification of any voter or (b) any votes have been counted which ought not to have been counted or which might have been rejected or (c) any votes are not counted which ought to have been counted, the objection or error shall not vitiate the decision of the meeting or 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.

78. 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 (which term shall for the purposes of this Article and Articles 79 to 84 include a representative appointed under Article 85). A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion. Notwithstanding anything contained in the Articles, where a member of the Company is a clearing house (or its nominee(s)), a proxy or proxies appointed by such member shall be entitled to separate votes on a show of hands.

79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

80. 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 office or at the place or one of such places (if any) as may be specified for that purpose in or by way of note to the notice convening the meeting or in any notice of any adjourned meeting or, in either case, in any document sent therewith or in the instrument of proxy issued by the Company not less than 48 hours (excluding any part of a day that is a public holiday) before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid provided if the Company has given an electronic address in an instrument

of proxy issued by the Company in relation to a general meeting, any document or information relating to proxies for that meeting may be sent by electronic means to that address (subject to any conditions or limitations specified in the instrument). Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

81. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution unless it states that it is valid for all meetings whatsoever until revoked with the exception that any instrument may be used at any adjournment of the meeting for which it was originally intended and on a poll demanded at a meeting or adjourned meeting provided that in all these cases the meeting was originally held within 12 months from such date.

82. The instrument appointing a proxy to vote at a general meeting shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit.

83. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or mental incapacity of the principal or the revocation of the proxy or power of attorney or other authority under which the proxy was executed or transfer of the share in respect of which the proxy is given provided that no intimation in writing of the death, insanity, revocation or transfer has been received at the office or such other place as was specified for the deposit of instrument of proxy or by the chairman of the meeting at least 2 hours before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.

84. An instrument appointing a proxy whether for a specified meeting or otherwise may be in any usual or common form or in any other form which the Directors may approve and the Directors may, if they think fit, send out with the notice of any meeting forms of instruments of proxy for use at the meeting. If the form of proxy is to be prescribed by the Company, such form must be so worded as not to preclude the use of the two-way form.

85. (A) Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or 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.

(B) If a clearing house (or its nominee(s)) is a member of the Company, it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such person is so

authorised. A person so authorised under the provisions of these Articles is not required to produce documents of title and notarized authorisation and shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) could exercise as if it were an individual member of the Company including the right to vote individually on a show of hands.

(C) Any reference in these Articles to a duly authorised representative of a member of the Company being a corporation shall mean a representative authorised under the provisions of these Articles.

85A. Notwithstanding any provisions in the Articles, where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted except that where a shareholder is required to abstain from voting in favour at the general meeting, he may vote against the resolution at the general meeting and be counted in the quorum on the condition that his intention to do so has been stated in a circular of the Company to the shareholders, in which case, the Directors shall issue such circular and do whatever acts required under the Listing Rules, including without limitation, adjourn the general meeting if required.

85B. Where shareholders' approval is, under the Listing Rules, required on any particular matter, such approval shall be given by a majority vote at a general meeting of the Company unless a written shareholders' approval is obtained in the manner and subject to the conditions stipulated in the Listing Rules.

85C. If any shareholder is, under the Ordinance, the Listing Rules or the Articles, required to disclose his interest (direct or indirect) to the Company in respect of any matters which are resolved or to be resolved in a general meeting or are required the approval of the shareholders, none of his powers shall be taken to freeze or otherwise impair any of his rights attaching to any share by reason only that he fails to disclose his interest to the Company.

OFFICE

86. The office shall be at such place in Hong Kong as the Directors shall from time to time appoint.

DIRECTORS

87. Subject to the provisions of the Articles and the Ordinance, the Company may by ordinary resolution elect any person to be a Director. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than three.

87A. All Directors appointed shall be for a term of not more than three years renewable, subject to re-election at a general meeting, for further terms of not more than three years each.

87B For purposes solely in relation to the appointment, retirement by rotation and re-election of Directors, Directors shall be divided into three Groups, namely “Group A”, “Group B” and “Group C”. At least one independent non-executive Director shall be appointed in each of Group A, Group B and Group C. The designation of a Director to a Group and any change thereof shall be decided by the Board.

88. Without prejudice to any provisions in the Articles and the Companies Ordinance, the Board may nominate any person to stand for election to the office of Director at any general meeting.

89. The Company may by ordinary resolution remove any Director (including a managing director or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his term of office notwithstanding anything in the Articles or in any agreement between the Company and such Director, and may elect another person to fill the vacancy pursuant to the provisions of the Articles. Special notice is required for a resolution to remove a director or to appoint somebody in place of the director so removed at the meeting at which he is removed.

90. Without prejudice to the power of the Company in pursuant of the provisions of the Articles to appoint any person to be a Director and subject to the Ordinance, the Directors may appoint any person to be a Director (who may be executive, non-executive or independent non-executive) to fill a casual vacancy provided that any person so appointed shall be designated to the same Group as the Director whose vacation creates the vacancy and hold office only until the next following general meeting during which the Director filling the vacancy shall be eligible for election.

91. The Company may by ordinary resolution appoint any person to be an additional Director (who may be executive, non-executive or independent non-executive). The person so appointed shall be designated to a Group recommended by the Board and approved by ordinary resolution of the Company in a general meeting. Without prejudice to any other provisions of the Articles, the initial term of office of the Director so appointed shall not be longer than a period upon expiry of which all other Directors in the same Group as the Director so appointed shall retire by rotation pursuant to Article 98.

92. A Director shall not be required to hold any qualification shares.

93. Any Director who, by request of the Directors or the Company, goes or resides outside the jurisdiction in which he normally resides for any purpose of the Company or holds any executive office or who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission, participation in profits or otherwise as the Directors may determine subject to the provisions of the Listing Rules.

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

95. The Directors may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or death or disability benefits 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 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 dependants of any such persons. The Directors 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 Directors may do all or 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.

96. Without prejudice to the provisions for retirement by rotation herein contained, the office of a Director shall be vacated if the Director:—

- (i) becomes bankrupt or has a receiving order made against him or suspends payment or makes any arrangement or composition with his creditors generally;
- (ii) becomes mentally incapacitated or a patient for any purpose of any statute relating to mental health and the Directors resolve that his office be vacated;
- (iii) (not being a Director appointed to an office in the management or business of the Company under Article 106 whose contract precludes resignation) resigns his office by notice in writing to the Company;
- (iv) is convicted of an indictable offence;
- (v) has his office vacated or becomes prohibited from being a Director under any of the provisions of the Ordinance or any order made under the Ordinance;
- (vi) absents himself from the meetings of the Directors during a continuous period of six months, without special leave of absence from the Directors and his alternate Director (if any) shall not during such period have attended in his stead and the Directors pass a resolution that his office be vacated by reason of such absence; or

(vii) shall be removed from office by an ordinary resolution of the Company under Article 89.

97. No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director, and no person shall be ineligible for appointment as a Director, by reason only of his having attained any particular age.

ROTATION OF DIRECTORS

98. At each annual general meeting, Directors from Group A or Group B or Group C shall retire from office by rotation in the order that the Directors from Group A shall retire in the next following annual general meeting, followed by the Directors from Group B in the annual general meeting in the following year and then the Directors from Group C in the annual general meeting in the year after. In the annual general meeting following the retirement of the Directors of Group C, the cycle for the retirement of Directors shall commence with the Directors of Group A again. For the avoidance of doubt, the first retirement of Directors pursuant to this Article 98 shall take place at the annual general meeting held in 2007. A retiring Director shall retain office until the close of the relevant annual general meeting and shall be eligible for re-election.

99. The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.

100. If a Director is re-elected at a general meeting, without prejudice to any other provisions of the Articles, his term of office shall not be longer than a period upon expiry of which he will be subject to retirement by rotation pursuant to Article 98.

101. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than three.

102. The Company shall keep at its office a register in which there shall be entered the particulars required by the Ordinance in respect of the Directors and secretaries and shall from time to time notify to the Registrar of Companies any change that takes place in such particulars as required by the Ordinance.

POWERS AND DUTIES OF DIRECTORS

103. (A) The business of the Company shall be managed by the Directors who, without limiting the generality of the foregoing, may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not required, by the Ordinance or by the Articles, to be exercised by the Company in general meeting subject, nevertheless, to such regulations as may be prescribed by the Company in general meeting being not inconsistent with any of the Articles or the provisions of the Ordinance; but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

(B) Without prejudice to the general powers conferred by the Articles, it is hereby expressly declared that the Directors shall have the following powers:—

(i) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at such price as may be agreed.

(ii) To give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

(C) Notwithstanding any provisions in the Articles, the Company and the Board shall, as long as the shares of the Company remain listed on the Stock Exchange, comply with the following requirements which may be modified from time to time under the Listing Rules (except in the case where waiver of the Stock Exchange is obtained):

(i) the Company will not either on its own or in conjunction with any connected person take legal, or effective, management control of underlying investments and that in any event the Company will not own or control more than 30% (or such other percentage as may from time to time be specified in the Code on Takeovers and Mergers approved by the Securities and Futures Commission of Hong Kong as being the level for triggering a mandatory general offer) of the voting rights in any one company or body, except in relation to wholly-owned subsidiaries of the Company;

(ii) a reasonable spread of investments will be maintained by the Company, that is, in general the value of its holding of investments issued by anyone company or body will not exceed 20% of the Company's net asset value at the time when such investment is made;

(iii) the Company will convene and conduct its shareholders' meetings in a manner which is acceptable to the Stock Exchange;

(iv) any custodian, the Manager, any of their connected persons and every Director of the Company and the Manager shall be prohibited from voting their own shares at, or being part of a quorum for, any meeting to the extent that they have or any of their associates has, a material interest in the business to be conducted; and

(v) the Company's auditors shall be independent of the Company, the Manager and any custodian, to the same extent as that required of an auditor under the Ordinance and in accordance with the requirements on independence issued by the Hong Kong Society of Accountants.

104. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of person, whether nominated directly or indirectly by the Directors, 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 Directors under the Articles) and for such period and subject to such conditions as they 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 Directors 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.

105. The Directors may establish any local committees (including without limitation an audit committee), boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may:

(a) adopt, establish or, from time to time, vary or modify the authority and duties of such committees, boards or agencies;

(b) appoint any persons to be members of such committees, boards or agencies;

(c) appoint any manager or agents (and in particular, but without limitation, any company, firm or person to be the Company's investment manager);

(d) fix the remuneration of the person(s) appointed under this Article;

(e) delegate to any local committee, board and agency any of the powers, authorities and discretions vested in the Directors (other than their powers to make calls and forfeit shares) with power to sub-delegate;

(f) authorise the members of any local committee, board or agency or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be upon such terms and subject to such conditions as the Directors may think fit;

- (g) remove any person so appointed under this Article; and
- (h) annul or vary any such delegation but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

106. The Directors may from time to time appoint one or more of their body (who is an executive Director) to the office of Managing Director, Joint Managing Director, Deputy Managing Director, General Manager, Joint General Manager and/or such other office in the management or business of the Company on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

107. A Director appointed to an office under Article 106 shall be subject to the same provisions as to removal as the other Directors of the Company and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

108. The Directors may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director, General Manager or Joint General Manager or a Director appointed to any other office in the management or business of the Company any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers but no person dealing in good faith and without notice of such revocation, withdrawal, alteration or variation shall be affected thereby.

109. Notwithstanding Articles 92, 93, 94 and 95, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or a Director appointed to any other office in the management of the business of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission, 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 Directors may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

110. The Directors shall cause minutes to be duly entered in books provided for the purpose:—

- (i) of all appointments of officers made by the Directors;
- (ii) of the names of the Directors present at each meeting of the Directors and of any committee of Directors;
- (iii) of all declarations made or notices given by any Director (either generally or specially) of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and

- (iv) of all resolutions and proceedings of general meetings of the Company and of meetings of the Directors and any committee of Directors;

and any such minutes of any general meeting of the Company or any meeting of the Directors or of any committee of Directors shall be signed by the chairman of such meeting or by the chairman of the next succeeding meeting and if so signed shall be receivable as conclusive evidence of the matters stated therein.

DIRECTORS' INTERESTS

111. (A) A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as vendor, shareholder or otherwise and, subject to the Ordinance, no such Director shall be accountable to the Company for any remuneration or benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise directs. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director or other officer of such a company and that as such he is or may become interested in the exercise of such voting rights in the manner aforesaid.

(B) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms as the Board may determine, and may be paid such remuneration (including extra remuneration or ex gratia payment which shall be in addition to any remuneration promoted for by or pursuant to any other provision in these Articles), whether by way of salary, commission, participation in profits or otherwise, as the Directors may determine pursuant to the provisions in these Articles. No Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested (whether or not such contract or arrangement is with any person, company or partnership of or in which any Director shall be a member) be liable to be avoided on that account nor any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall forthwith disclose the nature of his interest in any contract or arrangement in which he is interested as required by and subject to the provisions of the Ordinance and the Articles and fully complies with the provisions in this Article 111 and the Listing Rules.

(C) A Director shall not be entitled to vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting (except in the case where waiver of the Stock Exchange is obtained) but this prohibition shall not apply to any of the following matters (which may be varied under the Listing Rules from time to time):

(i) the giving of any security or indemnity either:

(a) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or

(b) the adoption, modification or operation of an insurance policy, a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;

(D) For the purpose of Article 111(C)(iii), a company shall be deemed to be a company in which a Director together with any of his associates own 5% or more if and so long as (but only if and so long as) he together with any of his associates are (either directly or indirectly) the holders of or beneficially interested in 5% or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded, unless the Listing Rules provide otherwise, any shares held by a Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the Director's interest is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.

(E) A general notice to the Directors by a Director that he is to be regarded as interested in any contract or arrangement which may be made with a specified person, firm or corporation after the date of such notice shall be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.

(F) Any Director may act by himself or 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 a Director or his firm shall not act as auditors to the Company.

(G) If any question shall arise at any time as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed.

(H) The Company may by ordinary resolution ratify any transaction not duly authorised by reason of a contravention of this Article provided that any interested Director, together with any of his associates, shall not vote on such resolution or be counted in the quorum present at the meeting.

PROCEEDINGS OF DIRECTORS

112. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes the chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram or by facsimile or by any electronic means at the address and/or telephone, telex or facsimile numbers or email address from time to time notified to the Company by such Director or alternate or in such other manner as the Directors may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively. The Directors or any committee of the Directors may participate in a meeting of the Directors or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

113. A resolution in writing signed by all the Directors present in Hong Kong except such as are temporarily unable to act through ill-health or disability and all the alternate Directors present in Hong Kong whose appointors are absent from Hong Kong or temporarily unable to act as aforesaid and in either case who are entitled to receive notice of a meeting of the Directors shall (so long as they constitute a quorum as provided in Article 115 for the time being) be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. Any such resolution may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

114. A meeting of the Directors 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 the Articles for the time being vested in or exercisable by the Directors generally.

115. Unless otherwise determined by the Directors, the quorum of a Directors' Meeting shall be two. Any Director who ceases to be a Director at a Directors' meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Directors' meeting if no other Director objects and if otherwise a quorum of Directors would not be present. For the purpose 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 be counted only as one Director.

116. 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 the Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.

117. The Directors may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Directors; but if no such Chairman or Deputy Chairman is elected or appointed or if at any meeting the Chairman or Deputy is not present within 5 minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of the meeting.

118. The Directors may delegate, and impose regulations in respect of such delegation of, any of their powers, authorities and discretions to committees consisting of such member or members of their body and such other persons as they think fit provided that the majority of the members of any such committee are Directors and that no meeting of any such committee shall be qualified as a quorum for the purpose of exercising any of such powers, authorities or discretions and no resolution of any such committee shall be effective unless a majority of those present are Directors. The Directors 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, and 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 on it by the Directors.

119. 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 Directors and the Directors 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.

120. 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 Directors including Article 113 so far as the same are applicable thereto and are not replaced by any regulations imposed by the Directors pursuant to Article 118.

121. All acts bona fide done by any meeting of the Directors or of a committee of Directors or by any person acting as a director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.

ALTERNATE DIRECTORS

122. (A) A Director may at any time by notice in writing delivered to the office or at a meeting of the Directors appoint any person (including another Director) to be an alternate Director in his place for such period as may be specified in the notice. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved. Any person so appointed shall (except when absent from Hong Kong) be entitled to receive notices of and to attend and vote at meetings of the Directors and be counted towards a quorum and generally at such meetings to perform all the functions of his appointor as a Director and shall automatically vacate his office on the expiration of the term for or the happening of the event until which he is by the terms of his appointment to hold office or which, were he a Director, would cause him to vacate such office or if the appointor in writing revokes the appointment or himself ceases for any reason to hold office as a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired. An appointment of an alternate Director under this Article shall not prejudice the right of the appointor to receive of and to attend and vote at meetings of the Directors and the powers of the alternate Director shall automatically be suspended during such time as the Director appointing him is himself present in person at a meeting of the Directors.

(B) For the purposes of the proceedings at Directors' meetings the provisions of the Articles shall apply as if an alternate Director (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or 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 Directors may from time to time determine in relation to any committee of the Directors, 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 the Articles.

(C) 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 be notice in writing to the Company from time to time direct.

MANAGER

123. (A) The Directors may from time to time appoint a Manager of the business of the Company and may fix its remuneration either by way of fee or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the Manager who may be employed by it in the business of the Company.

(B) The appointment of any Manager may be for such period as the Directors may decide and the Directors may confer upon the Manager all or any of the powers of the Directors and such title or titles as they may think fit.

124. Subject to Article 125 the Directors may enter into a Management Agreement with any Manager upon such terms and conditions as the Directors may in their absolute discretion think fit, including a power for Manager to appoint an assistant manager or other employees whatsoever under it for the purpose of carrying on the business of the Company.

MANAGEMENT AGREEMENT

125. No Management Agreement may be entered into after the adoption of these Articles or, once entered into, changed or altered in any material respect, unless approved by the Company in general meeting by way of ordinary resolution, PROVIDED THAT no such approval shall be required should:—

(a) the terms of any new Management Agreement entered into on the appointment of a new Manager not materially differ from those in force with the former Manager on the termination of its appointment; or

(b) the Directors and the Manager each certify that such change or alteration does not prejudice the interests of the members or any of them and does not alter the fundamental provisions or objects of the Management Agreement or operate to release the Manager from any responsibility to the Company.

SECRETARY

126. The secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them. Anything by the Ordinance or the Articles required or authorised to be done by or to the secretary, if the office is vacant or there is for any other reason no secretary capable of acting, may be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Directors subject to Article 128. In the event that the secretary appointed is a corporation, it may act and sign by the hand of anyone or more of its Directors or officers duly authorised.

127. The secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong.

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

BORROWING POWERS

129. The Directors may exercise all the powers of the Company to borrow money, give guarantees and mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

130. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

131. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

132. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

133. The Directors shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.

134. If the Company issues a series of debentures or debenture stock not transferable by delivery, the Directors shall cause a proper register to be kept of the holders of such debentures or debenture stock in accordance with the provisions of the Ordinance.

CHEQUES

135. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. The Company's banking accounts shall be kept with such bankers as the Directors shall from time to time determine.

DIVIDENDS AND RESERVES

137. Subject to the Ordinance and as hereinafter set out, the Company in general meeting may declare dividends, in any currency, to be paid to the members according to their rights and privileges in the profits available for distribution but no dividend shall exceed the amount recommended by the Directors.

138. (A) The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrear provided that if the Directors act bona fide the Directors shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.

(B) The Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Directors are of the opinion that the position of the Company justifies the payment.

139. No dividend shall be paid otherwise than out of profits. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

140. Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors 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 for securities of the Company or other company or in anyone or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think 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 Directors and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Ordinance and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

141. (A) Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve:—

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

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

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

(d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the members who have not duly exercised the said cash election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution a sum equal to the amount of the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees of the non-elected shares on such basis;

or (ii) that the members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:—

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the members of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

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

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid to the members who have duly exercised the said share election on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of any part of the profits of the Company available for distribution a sum equal to the amount of the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the allottees of the elected shares on such basis.

(B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:—

(i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu and in satisfaction thereof as aforesaid); or

(ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Directors of their proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Directors shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such dividend, distribution, bonus or rights.

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

(D) The Company may, upon the recommendation of the Directors, by special resolution resolve in respect of anyone particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article, a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

(E) The Directors may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful and in such event the provisions aforesaid shall be read and construed subject to such determination.

142. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid by reference to each member's holding of shares which are fully paid up or credited as fully paid up in respect whereof the dividend is paid but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. The Directors may deduct from any dividend, bonus or distribution payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise in relation to the shares of the Company.

143. The Directors 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.

144. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, 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 lawfully 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 or warrants of the Company) as the Directors 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 Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to distribute by way of dividend.

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

146. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.

147. Notwithstanding anything herein contained, if two or more persons are registered as joint holders of any share, any one of them may give an effectual receipt for any dividends, interim dividends or bonuses or other moneys payable on or in respect of such shares.

148. Unless otherwise directed by the Directors, any dividend, interest, bonus or other sum payable in cash to the members may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or to such person at such address as the member or person entitled (as the case may be) may direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled (as the case may be) may direct and shall be sent at his own risk and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend, interest, bonus or other sum represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

149. (A) All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or any profit or benefit derived therefrom. All dividends or bonuses unclaimed for six years after having been declared shall be forfeited by the Directors and shall revert to the Company.

(B) The Company may cease sending dividend warrants by post to any shareholder if immediately before the cessation, the warrants to that shareholder have been left uncashed on 2 consecutive occasions or a warrant to that shareholder has been left uncashed after the first occasion on which such warrant is returned undelivered.

150. (A) The Directors may, with the sanction of an ordinary resolution of the Company, capitalise any sum standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of any 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) by appropriating such sum to the holders of shares in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and applying such sums on their behalf in or towards paying up any amounts for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares), debentures or other obligations of the Company for allotment and distribution credited as fully paid up to and amongst them in the proportion aforesaid, or partly in the one way and partly in the other.

(B) Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things considered necessary or expedient to give effect to any such capitalisation. In particular where any difficulty arises in regard to any distribution under paragraph (A) of this Article the Directors may settle the same as they think expedient and in particular may issue fractional certificates or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether and may determine that cash payments shall be made to any members in order to adjust the rights of all parties, as may seem expedient to the Directors. The Directors may authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for any such capitalisation and matters incidental thereto including the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or, as the case may require, the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all concerned.

RECORD DATES

152. Notwithstanding any other provision of these presents the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue provided that such record date shall be after the date on which such dividend, distribution, allotment or issue is declared or made.

ANNUAL RETURNS

153. The Directors shall make the requisite annual returns in accordance with the Ordinance.

ACCOUNTS

154. The Directors shall cause proper books of account to be kept with respect to:-

- (i) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure took place;
- (ii) all sales and purchases of goods by the Company; and
- (iii) the properties, assets, credits and liabilities of the Company and of all other matters required by the Ordinance.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

155. The books of account shall be kept at the office or, subject to the Ordinance, at such other place as the Directors think fit and shall always be open to the inspection of any officer of the Company.

156. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the account and books of the Company, or any of them, shall be open to the inspection of members not being Directors of the Company 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 statute or authorised by the Directors or by the Company in general meeting.

157. The Directors shall from time to time, in accordance with the provisions of the Ordinance, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to therein.

158. Every balance sheet of the Company shall be signed pursuant to the provisions of the Ordinance and, subject to the provisions of the Ordinance, a printed copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account which is to be laid before the Company in general meeting, together with a copy of the Directors' report and a copy of the auditors' report (collectively referred to as the "Relevant Financial Documents" hereinafter), shall not less than 21 days before the date of the meeting be sent to every member and every holder of debentures of the Company and to all persons other than members or holders of debentures of the Company, being persons entitled to receive notices of general meetings of the Company (together with the members and the holders of debentures of the Company, collectively referred to as the "Entitled Persons" hereinafter), provided that this Article shall not require a copy of the Relevant Financial Documents to be sent:

- (i) to a member of the Company or a holder of debentures of the Company, being in either case a person who is not entitled to receive notices of general meetings of the Company and of whose address the Company is unaware; or
- (ii) to more than one of the joint holders of any shares or debentures none of whom are entitled to receive such notices; or
- (iii) in the case of joint holders of any shares or debentures some of whom are and some of whom are not entitled to receive such notices, to those who are not so entitled; or
- (iv) subject to the Ordinance and Article 158A, to the Entitled Persons, if the Company has, pursuant to a notice of intent, duly sent to such Entitled Persons a copy of a summary financial report in place of a copy of those documents from which the report is derived (the "Summary Financial Report").

Copies of each of the Relevant Financial Documents and/or the Summary Financial Report shall also be forwarded in appropriate number to the Stock Exchange in accordance with the Listing Rules.

- 158A. (i) Subject to the Ordinance, the Company may send to an Entitled Person, for the purpose of the Company's general meeting, a copy of the Summary Financial Report in place of a copy of the Relevant Financial Documents from which the report is derived provided that there is in force a notice of intent sent by the relevant Entitled Person to the Company, notifying the Company that he agrees to be sent a copy of the Summary Financial Report in place of a copy of the Relevant Financial Documents. For the purpose of this Article, an Entitled Person may be treated as having sent a notice of intent to the Company in cases specified under section 442 of the Ordinance.
- (ii) For the purpose of Article 158A(i), a copy of the Summary Financial Report shall be sent to the Entitled Persons at least 21 days before the date of the general meeting.
- 158B. Where an Entitled Person has, in accordance with the Ordinance and the Listing Rules, 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 obligations under the Ordinance and the Listing Rules to send a copy of the Relevant Financial Documents and/or the Summary Financial Report (the "Consenting Person"), then publication by the Company on its computer network of the Relevant Financial Documents and/or the Summary Financial Report at least 21 days before the date of the general meeting shall, in relation to each Consenting Person, be deemed to discharge the Company's obligations under Article 158 or Article 158A (as the case may be).

BRANCH REGISTERS

159. Subject to the provisions of the Ordinance, if the Directors consider it necessary or appropriate, the Company may establish and maintain a branch register of members at such location within or outside Hong Kong as the Directors think fit. The Directors may, subject to the Ordinance, make or vary from time to time such provisions as they think fit in respect of the keeping of any such branch register and the transfer of shares to, on or from any such branch register and may comply with the requirements of any local law.

AUDIT

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

161. Subject as otherwise provided by the 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 Directors.

162. Every statement of account audited by the Company's auditors and presented by the Directors at a general meeting shall after approval at such meeting be conclusive as to the contents thereof 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 as aforesaid.

NOTICES AND CORPORATE COMMUNICATION

163. Any notice or document (including a share certificate) may be given by the Company to any member either personally or by sending it by post to him at his registered address as appearing in the register or at address, within or outside Hong Kong, supplied by him to the Company for the sending of notices or documents to him or by advertisement to be published in such one or more newspapers as prescribed by the rules for the time being of every stock exchange on which the Company's shares are listed. A member who has no address of either type as aforesaid shall be deemed to have received any notice which shall have been displayed at the office and shall have remained there for the period 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.

164. Subject to Article 163, where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting an envelope or a wrapper containing the notice and to have been effected (subject to the provisions of the Ordinance) on the second business day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and put into such post office and a certificate in writing signed by the secretary or other person appointed by the Directors that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof. Any notice or other document delivered or left at the registered address or address supplied for the sending of notice or document to him otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.

165. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the register in respect of the share and notice so given shall be sufficient notice to all the joint holders.

166. A notice may be given by the Company to the persons entitled to a share in consequence of the death, mental incapacity or bankruptcy of a member by sending it through the post in a prepaid envelope or wrapper addressed to them by name or by the title of representative of the deceased or trustee of the bankruptcy or committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by the court or by any like description at the address, if any, within Hong Kong supplied for the purpose by the persons claiming to be so entitled or, until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death, mental incapacity or bankruptcy had not occurred.

167. Any person who, by operation of law, transfer or other means whatsoever, becomes 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 under the Articles to the person from whom he derived his title to such share.

168. Notice of every general meeting shall be given in any manner hereinbefore authorised to (a) every member, (b) every person entitled to a share in consequence of the death, mental incapacity or bankruptcy of a member who, but for his death, mental incapacity or bankruptcy, would be entitled to receive notice of the meeting, and (c) the auditors for the time being of the Company. No other persons shall be entitled to receive notices of general meetings.

169. Any notice or document delivered or sent by post or left at the registered address or the address supplied by a member for the sending of notice or documents to him of any member in pursuance of the Articles shall, notwithstanding that such member be then deceased or bankruptcy or that any other event has occurred and whether or not the Company has notice of his death, bankruptcy or such other event, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of the Articles be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

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

170A. Notwithstanding anything in these Articles, the Directors may, subject to the provisions in the Ordinance and the Listing Rules and without prejudice to any powers of the Directors, do the following acts in accordance with the requirements under the Listing Rules:

- (i) deliver any information or documents to the Stock Exchange, any other person(s) or the public by publishing or releasing the same in the newspapers or on the website of the Stock Exchange or by providing a means of access by any persons or the public to such information or documents by any other means as required or permitted by the Listing Rules;

- (ii) discharge the Company's obligations under the Listing Rules of sending, mailing, dispatching, issuing, publishing or otherwise making available any corporate communication by sending or otherwise making available the corporate communication by electronic means or other means as may be acceptable to the Stock Exchange; and
- (iii) discharge the Company's obligations under the Listing Rules of sending, mailing, dispatching, issuing, publishing or otherwise making available any corporate communication in both English and Chinese by making arrangements to ascertain whether or not a holder of its shares wishes to receive the English language version only or the Chinese version only and sending the English version only or the Chinese version only to the holder concerned in accordance with his stated wish.

INFORMATION

171. No member 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 relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

DESTRUCTION OF DOCUMENTS

172. 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) any 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 six 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 six years from the date an entry in the register was first made in respect of it;

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

- (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 proviso (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

174. No fee or commission shall be paid by the Company to any Director or liquidator upon any sale or realisation of the Company's undertaking or assets or any part thereof except with the sanction of a general meeting convened by notice specifying the fee or commission proposed to be paid.

175. If the Company shall be wound up (whether voluntarily or under supervision of or by the court), the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Ordinance, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any 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. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

176. In the event of a winding-up of the Company, 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 the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgments in relation to or under the winding-up of the Company may be served and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement to be published in such one or more newspapers as prescribed by the rules for the time being of every stock exchange on which the Company's shares are listed or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

INDEMNITY

177. (A) Subject to the provisions of and so far as may be permitted by the Ordinance, every Director, auditor, secretary or other officer of the Company and every agent or employee of the Company shall be entitled to be indemnified by the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceeding, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

(B) Subject to the provisions of the Ordinance, if any Director and/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 and/or person so becoming liable as aforesaid from any loss in respect of such liability.

Names, Addresses and Descriptions of Subscribers

(Sd.) Li Ho Shan, Director
Apex (Nominees) Limited
Li Ho Shan, Director
15/F., Chung Nam Building,
1 Lockhart Road,
Hong Kong.
Corporation

(Sd.) Li Ho Shan, Director
Apex Secretaries Limited
Li Ho Shan, Director
15/F., Chung Nam Building,
1 Lockhart Road,
Hong Kong.
Corporation

Dated the 28th day of February, 1991.
WITNESS to the above signatures:

(Sd.) Yip Tak On
Accountant
15/F., Chung Nam Building,
1 Lockhart Road,
Hong Kong.