

ARTICLES OF ASSOCIATION

OF

**DAH SING BANK, LIMITED**

大新銀行有限公司

(Incorporated in Hong Kong with limited liability)

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Incorporated the 1st day of May, 1947

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(As adopted by Special Resolution passed on 10 September 2014)

No. 2310

編號

[COPY]

**COMPANIES ORDINANCE  
(CHAPTER 32)**

香港法例第32章  
公司條例

**CERTIFICATE OF INCORPORATION  
ON CHANGE OF NAME**

公司更改名稱  
註冊證書

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**I hereby certify that**  
本人謹此證明

DAH SING BANK, LIMITED

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

the name of  
稱現為

DAH SING BANK, LIMITED  
大新銀行有限公司

Issued by the undersigned on 2 October 2003.  
本證書於二〇〇三年十月二日簽發。

(Sd.) MISS R. CHEUNG  
for Registrar of Companies  
Hong Kong

香港公司註冊處處長  
(公司註冊主任張潔心代行)

[COPY]

CERTIFICATE OF INCORPORATION

OF

DAH SING BANK, LIMITED

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**I HEREBY CERTIFY** that DAH SING BANK, LIMITED is this day incorporated under the Hong Kong Companies Ordinance, 1932, and that this Company is Limited.

**GIVEN** under my hand and Seal of Office this 1st day of May in the year of Our Lord, One Thousand Nine Hundred and Forty-seven.

(Signed) H. A. de Barros Botelho  
*Acting Registrar of Companies*  
*Hong Kong.*

THE COMPANIES ORDINANCE (CHAPTER 622)

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Public Company Limited by Shares

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ARTICLES OF ASSOCIATION

(As adopted by Special Resolution passed on 10 September 2014)

OF

DAH SING BANK, LIMITED

大新銀行有限公司

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**PRELIMINARY**

1. The regulations in (a) Table A in the First Schedule to the predecessor of the Ordinance and (b) Model Articles in Schedule 1 of the Companies (Model Articles) Notice (Chapter 622H of the laws of Hong Kong) shall not apply to the Company.

**INTERPRETATION**

2. (a) In these Articles, save where the context otherwise requires:-

"Articles"	means these Articles of Association in their present form or as altered from time to time;
"associated company"	has the meaning ascribed to it in section 2 of the Ordinance;
"Auditors"	means the auditors for the time being of the Company;
"business day"	means a day (not being a Saturday) on which banks are open for general banking business in Hong Kong;
"clear days"	means in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Company"	means Dah Sing Bank, Limited 大新銀行有限公司;
"connected entity(ies)"	in relation to any Director, has the meaning ascribed to it in section 486 of the Ordinance;
"the Companies Ordinance" or "Ordinance"	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), and includes every other ordinance incorporated therewith or substituted therefor; and in the case of any such substitution the references in these Articles to the provisions of

the Ordinance shall be read as references to the provisions substituted therefor in the new ordinance;

"Directors" or "Board"	means the directors for the time being of the Company or the directors present at a duly convened meeting of directors at which a quorum is present;
"call"	includes any instalment of a call and, in the application of provisions of these Articles to forfeiture of shares, any sum which, by the terms of issue of a share, is payable at a fixed time;
"dividend"	includes distributions in specie or in kind, capital distributions and capitalisation issues;
"dollars" or "\$"	means dollars of Hong Kong currency;
"month"	means calendar month;
"Office"	means the registered office of the Company for the time being;
"paid up"	includes credited as paid up;
"public holiday"	shall have the meanings given to it in section 3 of the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong);
"Register"	means the register of members of the Company kept pursuant to the Ordinance and includes any branch register kept pursuant to the Ordinance;
"responsible person"	has the meaning ascribed to it in section 3 of the Ordinance;
"Seal"	means the common seal of the Company, or any official seal that the Company may have as permitted by the Ordinance;
"Secretary"	means the person appointed for the time being to perform for the Company the duties of a secretary;
"share"	means a share in the capital of the Company;

- (b) In these Articles, if not inconsistent with the subject or context, words importing the singular number only shall include the plural number and vice versa, words importing any gender shall include all other genders and references to persons shall include corporations (acting, where applicable, by their duly authorized representatives).
- (c) Subject as aforesaid, any words defined in the Ordinance shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- (d) The headings and any marginal notes are inserted for convenience only and shall not affect the construction of these Articles.

- (e) References to writing shall include references to typewriting, printing, lithography, photography and other mode of representing or reproducing words in a legible and non-transitory form, including for the avoidance of doubt an electronic record (within the meaning of the Electronic Transactions Ordinance (Chapter 553 of the laws of Hong Kong)).

#### **COMPANY NAME**

3. The name of the Company is "DAH SING BANK, LIMITED 大新銀行有限公司".

#### **MEMBERS' LIABILITIES**

4. The liability of members is limited.

#### **LIABILITIES OR CONTRIBUTION OF MEMBERS**

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

#### **THE OFFICE**

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

#### **SHARES**

7. Without prejudice to any special rights, privileges or restrictions for the time being attaching to any issued shares, any new or forfeited shares may be issued or re-issued upon such terms and conditions, and with such rights, privileges and restrictions, attached thereto, whether in regard to dividends, voting, repayment or redemption of share capital, or otherwise, as the Company may, subject to the Ordinance, from time to time determine or, in the absence of any such determination, as the Directors shall determine.
8. Save as provided by contract or the Ordinance or these Articles to the contrary, the new shares shall be at the disposal of the Directors who may allot, grant options over, or otherwise deal with or dispose of the same to such persons, at such times, for such consideration and generally upon such terms and conditions as they shall in their absolute discretion think fit.
9. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.
10. If by the conditions of allotment of any shares the whole or part of the issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the shares, or his legal personal representative.
11. Subject to the provisions of the Ordinance, any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.
12. Subject to the provisions of these Articles, the Company shall not, except as required by law or court order, be bound by or required in any way to recognize any contingent, future, partial or equitable interest in any share or in any fractional part of a share, or any other right in respect of any share, or any other claim to or in respect of any such share on the part of any person (even when having notice thereof) except an absolute right to the entirety thereof in the registered holder.

13. The Company may in connection with the issue of any shares exercise all powers of paying interest out of capital and of paying commission and brokerage conferred or permitted by the Ordinance.
14. No person shall become a member until his name shall have been entered into the Register.

#### **JOINT HOLDERS OF SHARES**

15. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the following provisions:-
  - (a) the Company shall not be bound to register more than four persons as the holders of any shares except in the case of the legal personal representatives of a deceased member;
  - (b) the joint holders of any shares shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares;
  - (c) on the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title, to such shares, but the Directors may require such evidence of death as they may deem fit;
  - (d) any one of such joint holders may give effectual receipts for any dividend, bonus or return of capital payable to such joint holders; and
  - (e) the Company shall be at liberty to treat the person whose name stands first in the Register as one of the joint holders of any shares as solely entitled to delivery of the certificate relating to such shares, or to receive notices from the Company, or to attend or vote at general meetings of the Company, and any notice given to such person shall be deemed notice to all the joint holders; but any one of such joint holders may be appointed the proxy of the persons entitled to vote on behalf of such joint holders, and as such proxy to attend and vote at general meetings of the Company, but if more than one of such joint holders be present at any meeting personally or by proxy that one so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof.

#### **SHARE CERTIFICATES**

16. Every person whose name is entered as a member in the Register shall be entitled without payment to receive (i) within two months after allotment or (ii) within 10 business days of lodgment of an instrument of transfer duly stamped, or within such other period as the conditions of issue shall provide, one certificate for all his shares of any particular class, or several certificates, each for one or more of his shares, upon payment of such sum as the Directors shall from time to time determine, provided that in the event of a member transferring part of the shares represented by a certificate in his name a new certificate in respect of the balance thereof shall be issued in his name without payment and, in the case 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.
17. Every certificate of title to shares or other form of securities of the Company must (a) affix to it the Company's common seal or the Company's securities seal under section 126 of the Ordinance; or (b) be otherwise executed in accordance with the Ordinance. Every share certificate shall specify the number and class of shares, and, if required, the distinctive numbers thereof, to which the certificate relates, and the amount paid-up

thereon. If at any time the share capital of the Company is divided into different classes of shares, every share certificate issued at that time shall comply with section 179 of the Ordinance, and no certificate shall be issued in respect of more than one class of shares.

18. If any share certificate shall be damaged, defaced, destroyed or lost, it may be replaced on such evidence being produced as the Directors shall require, and in case of damage or defacement, on delivery of the old certificate, and in case of destruction or loss, on the execution of such indemnity (if any), as the Directors may require, in case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company all expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

#### **CALLS ON SHARES**

19. (a) The Directors may from time to time make calls upon the members in respect of all moneys unpaid on their shares but subject always to the terms of issue of such shares, and any such call may be made payable by instalments.  
(b) Each member shall, subject to receiving at least 14 days' notice specifying the time or times and place for payment, pay to the Company the amount called on his shares and at the time or times and place so specified. The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, any of the members shall not invalidate the call.
20. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed. A call may be revoked, varied or postponed as to all or any of the members liable therefor as the Directors may determine.
21. If any part of a call be not paid before or on the day appointed for payment thereof, the person from whom the payment is due shall be liable to pay interest on the outstanding part thereof at such rate as the Directors shall determine from the day appointed for the payment of such call or instalment to the time of discharge thereof in full; but the Directors may, if they shall think fit, waive the payment of such interest or any part thereof.
22. If, by the terms of the issue of any shares or otherwise, any amount is made payable upon allotment or at any fixed time, every such amount shall be payable as if it were a call duly made and payable on the date on which by the terms of issue the same becomes payable; and all the provisions hereof with respect to the payment of calls and interest thereon, or to the forfeiture of shares for non-payment of calls, shall apply to every such amount and the shares in respect of which it is payable in the case of non-payment thereof.
23. The Directors may, if they shall think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him; and upon all or any of the moneys so paid in advance the Directors may (until the same would, but for such payment in advance, become presently payable) pay interest at such rate as may be agreed upon between the member paying the moneys in advance and the Directors. The Directors may also at any time repay the amount so advanced upon giving to such member one month's notice in writing.
24. On the trial or hearing of any action 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 money is due; that the resolution making the call is duly recorded in the Minute Book of the Company, and that notice of such call was duly given to the member sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor



any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence that the money is due.

25. No member shall, unless the Directors otherwise determine, be entitled to receive any dividend, or to receive notice of or to be present or vote at any general meeting, either personally or (save as proxy for another member) by proxy, or to exercise any privileges as a member, or be reckoned in a quorum, until he shall have paid all calls or other sums for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

#### **FORFEITURE**

26. If any member fails to pay in full any call on the day appointed for payment thereof, the Directors may at any time thereafter, during such time as any part of the call remains unpaid, serve a notice on him requiring him to pay so much of the call as is unpaid together with interest accrued and any expenses incurred by reason of such non-payment.
27. The notice shall name a further day (not being less than 14 days from the date of the notice) on or before which such call or part thereof and all interest accrued and expenses incurred by reason of such non-payment are to be paid, and it shall also name the place where payment is to be made, such place being either the Office, or some other place at which calls of the Company are usually made payable. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call is payable will be liable to forfeiture.
28. If the requirements with regard to payment of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter and before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect, and any such forfeiture shall extend to all dividends declared in respect of the shares so forfeited but not payable until after such forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.
29. Any shares so forfeited shall be deemed for the purposes of this Article to be the property of the Company, and may be sold, re-allotted or otherwise disposed of either subject to or discharged from all calls made prior to the forfeiture, to any person, upon such terms as to subscription price and otherwise and in such manner and at such time or times as the Directors think fit. For the purpose of giving effect to any such sale or other disposition the Directors may authorize the transfer of the shares so sold or otherwise disposed of to the purchaser thereof or any other person becoming entitled thereto. The Directors shall account to the person whose shares have been forfeited with the balance (if any) of monies received by the Company in respect of those shares after deduction of expenses of forfeiture, sale or disposal of the shares and any amounts due to the Company in respect of the shares.
30. The Directors may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

31. Any person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture be and remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with interest thereon from the date of forfeiture until payment at such rate as the Directors may prescribe, and the Directors may enforce the payment of such moneys or any part thereof and may waive payment of such interest wholly or in part.
32. When any shares have been forfeited an entry shall be made in the Register recording the forfeiture and the date thereof, and so soon as the shares so forfeited have been sold or otherwise disposed of an entry shall also be made of the manner and date of the sale or disposal thereof.

#### **LIEN**

33. The Company shall have a first and paramount lien on every share for all moneys outstanding in respect of such share whether presently payable or not, and the Company shall also have a first and paramount lien on every share standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company, whether the same shall have been incurred before or after notice has been given to the Company of any interest of any person other than such member, and whether the time for the payment or discharge of the same shall have already 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 or not. The Company's lien on a share shall extend to all dividends payable thereon. The Directors may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be wholly or in part exempt from the provisions of this Article.
34. The Company may sell in such manner as the Directors think fit any share 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 nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death, bankruptcy or winding-up or otherwise by operation of law or court order.
35. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities in respect whereof the lien exists so far as the same are presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale the Directors may authorize some person to transfer the shares so sold to the purchaser thereof.
36. Subject to the provisions of the Ordinance, a statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company 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. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject

to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall 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, surrender, sale, re-allotment or disposal of the share.

### **TRANSFER OF SHARES**

37. The instrument of transfer of any shares in the Company shall be in writing and shall be executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect thereof.
38. Every instrument of transfer shall be lodged at the Office for registration accompanied by the certificate relating to the shares to be transferred and such other evidence as the Directors may require in relation thereto. All instruments of transfer which shall be registered shall be retained by the Company, but save where fraud is suspected any instrument of transfer which the Directors may decline to register shall, on demand, be returned to the person depositing the same.
39. There shall be paid to the Company in respect of the registration of a transfer and of any Grant of Probate or Letters of Administration, Certificate of Marriage or Death, Power of Attorney or other document relating to or affecting the title to any share or for making any entry in the Register affecting the title to any share such fee (if any) as the Directors may from time to time require or prescribe.
40. The registration of transfers may be suspended at such times and for such periods as the Directors may, in accordance with section 632 of the Ordinance, from time to time determine, and either generally or in respect of any class of shares.
41. The Directors may at any time in their absolute discretion decline to register any transfer of any share whether or not it is a fully paid-up share. If the Directors refuse to register a transfer they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal. If the Directors refuse to register a transfer of a share, the transferee or transferor may request a statement of the reasons for the refusal. If such a request is made, the Company shall, within 28 days after receiving the request: (a) send the person who made the request a statement of reasons; or (b) register the transfer.
42. The Directors may also decline to register any transfer unless:-
  - (a) the instrument of transfer is in respect of only one class of shares;
  - (b) in the case of a transfer to joint holders, the number of transferees does not exceed four;
  - (c) the shares concerned are free of any lien in favour of the Company; and
  - (d) such other conditions as the Directors may from time to time impose for the purpose of guarding against losses arising from forgery are satisfied.

## **TRANSMISSION OF SHARES**

43. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognized by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder, whether sole or joint, from any liability in respect of any share solely or jointly held by him.
44. Any person becoming entitled to shares in the Company in consequence of the death, bankruptcy or winding-up of any member or otherwise by operation of law or by court order shall, upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the shares upon giving to the Company notice in writing of such his desire or to transfer such shares to some other person. All the limitations, restrictions and provisions of these Articles and the Ordinance relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as if the same were a transfer of shares by a member, including the Directors' right to refuse or suspend registration.
45. A person becoming entitled to shares in the Company in consequence of the death, bankruptcy or winding-up of any member or otherwise by operation of law or by court order shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the shares, but he shall have no right to receive notice of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a member in respect of the shares, unless and until he shall be registered as the holder thereof provided always that the Directors may at any time give notice requiring any such person to elect to be registered himself or to transfer the shares, and if the notice is not complied with within 60 days, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

## **ALTERATION OF CAPITAL**

46. The Company may, from time to time, by ordinary resolution, alter its share capital in any one or more of the ways set out in section 170 of the Ordinance, including but not limited to:
- (a) increasing its share capital by allotting and issuing new shares in accordance with the Ordinance;
  - (b) increasing its share capital without allotting and issuing new shares, if the funds or other assets for the increase are provided by the members of the Company;
  - (c) capitalising its profits, with or without allotting and issuing new shares;
  - (d) allotting and issuing bonus shares with or without increasing its share capital;
  - (e) converting all or any of its share into a larger or smaller number of existing shares;
  - (f) cancelling shares:
    - (i) that, at the date of the passing of the resolution for cancellation, have not been taken or agreed to be taken by any person; or

- (ii) that have been forfeited; or
  - (g) making provision for the issue and allotment of shares which do not carry any voting rights.
- 47. The general meeting resolving upon the creation of any new shares may direct that the same or any of them shall be offered in the first instance (subject to the provisions of the Ordinance) to all the holders for the time being of any class of shares in the capital of the Company, in proportion to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of the new shares, and in default of any such direction, or so far as the same shall not extend, the new shares shall be at the disposal of the Directors, and Article 8 shall apply thereto.
- 48. Subject to any direction or determination that may be given or made in accordance with the powers contained in these Articles, all new shares created pursuant to Article 46 shall be subject to the same provisions herein contained with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as the existing shares of the Company.
- 49. The Company may by special resolution reduce its share capital in any manner allowed by law.
- 50. Where any difficulty arises in regard to any conversion and division under Article 46, the Directors may settle the same as they think expedient and in particular may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the members who would have been entitled to the fractions, and for this purpose the Directors may authorize some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **MODIFICATION OF RIGHTS**

- 51. Subject to the provisions of the Ordinance, if all or any of the special rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) for the time being in issue may, at any time, as well before as during liquidation, be altered or abrogated either with the consent in writing of the holders of not less than 75% of the total voting rights of holders of shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class, and all the provisions contained in these Articles relating to general meetings shall mutatis mutandis apply to every such meeting, but so that the quorum thereof shall be not less than two persons holding or representing by proxy one-third of the issued shares of the class (or if there is only one person holding the issued shares of the class, that sole person present in person or by proxy shall constitute a quorum), and at any adjourned meeting two persons holding shares of that class present in person or by proxy (whatever the number of shares held by them) (or if there is only one person holding the issued shares of the class, that sole person present in person or by proxy shall constitute a quorum) may demand a poll.

52. The provisions of the foregoing Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.
53. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking pari passu therewith.

#### **GENERAL MEETINGS**

54. The Company shall, in respect of each financial year of the Company, hold a general meeting as its annual general meeting in accordance with the requirements of the Ordinance in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it. All other meetings shall be called general meetings.
55. The Directors may, if they thought fit, convene a general meeting at two or more places using technology that enables members attending the meeting to exercise their right to listen, speak and vote at the meeting.
56. The Directors may whenever they think fit, and shall on requisition in accordance with the Ordinance, proceed to convene a general meeting.

#### **NOTICE OF GENERAL MEETINGS**

57. Subject to the provisions of the Ordinance, an annual general meeting shall be called by not less than 21 clear days' notice in writing, and any other general meeting shall be called by not less than 14 clear days' notice in writing. The notice shall specify the place (and if the meeting is to be held in two or more places, the principal place of the meeting and the other place or places of the meeting), date and time of meeting, and, in the 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 resolution as a special resolution. If a resolution (whether or not a special resolution) is intended to be moved at the meeting, the notice must include notice of the resolution, and include or be accompanied by a statement containing any information or explanation that is reasonably necessary to indicate the purpose of the resolution. There shall appear on every such notice with reasonable prominence a statement that: (i) a member entitled to attend and vote is entitled to appoint one or more proxies to attend, (ii) a proxy may vote on a show of hands unless in the case of multiple proxies, may only vote on a poll, and (iii) a proxy need not be a member of the Company.
58. Notwithstanding that a meeting of the Company is called by shorter notice than that specified in these Articles or required by the Ordinance, it shall be deemed to have been duly called if it is so agreed:
  - (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
  - (b) in the case of any other meeting, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together holding not less than 95% of the total voting rights at the meeting of all the members.

59. The accidental omission to give notice of a meeting or resolution intended to be moved at a general meeting or (in cases where instruments of proxy are sent out with the notice) the accidental omission to send such instrument of proxy to, or the non-receipt of notice of a meeting or resolution or such instrument of proxy by any person entitled to receive such notice or resolution shall not invalidate the proceedings or resolution(s) passed at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

60. All business shall be deemed special that is transacted at a general meeting and at an annual general meeting with the exception of:-
- (a) the receipt of the accounts and balance sheet and the reports of the Directors and other documents required to be annexed to the accounts;
  - (b) the declaration and sanction of dividends;
  - (c) the election of Directors in place of those retiring (whether by rotation or otherwise);
  - (d) the election or re-election of the Auditors (where special notice of the resolution for such election is not required by the Ordinance) of the Company;
  - (e) the fixing of, or the determination of the method of fixing, the remuneration or extra remuneration of the Directors and of the Auditors of the Company; and
  - (f) the approval of the exercise by the Directors of any powers of the Company to allot shares and to make or grant offers, agreements and options which would or might require shares to be allotted after the expiry of such approval.
61. No business save the election of a chairman of the meeting shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two members present in person or by proxy or a duly authorised representative of a corporation which is a member shall be a quorum for all purposes. If the Company has only one member, the sole member present in person or by proxy or a duly authorised representative of a corporation which is a member shall constitute a quorum
62. If, within fifteen minutes from the time appointed for the meeting a quorum be not present, the meeting, if convened upon requisition in accordance with the Ordinance, shall be dissolved; but in any other case it shall stand, adjourned to the same day in the next week at the same time and place, or to such other day, time and place as the chairman of the meeting may determine. If at such adjourned meeting a quorum be not present within fifteen minutes from the time appointed for the meeting, the member or members present in person or by proxy or a duly authorised representative of a corporation which is a member shall be a quorum and may transact the business for which the meeting is called.
63. The Chairman (if any) of the Board or, in his absence, a Deputy Chairman (if any) shall preside as chairman at every general meeting. If there is no such Chairman or Deputy Chairman, or if at any meeting neither the Chairman nor a Deputy Chairman is present within five minutes after the time appointed for holding the meeting, or if neither of them is willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to act as chairman, the persons present and entitled to vote shall elect one of their number to be chairman of the meeting.

64. The chairman of any general meeting at which a quorum is present may, with the consent of the meeting, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place or sine die; but no business shall be transacted at any adjourned meeting other than business which, might have been transacted at the meeting from which the adjournment took place unless due notice thereof is given or such notice is waived in the manner prescribed by these Articles. When a meeting is adjourned for 30 days or more, or sine die, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned meeting or the business to be transacted thereat. Where a meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the Directors.

#### **AMENDMENTS TO PROPOSED RESOLUTIONS**

65. (a) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:-
- (i) notice of the proposed amendment is given to the Secretary in writing; and
  - (ii) the proposed amendment does not, in the reasonable opinion of the chairperson of the meeting, materially alter the scope of the resolution.
- (b) The notice must be given by a person entitled to vote at the general meeting at which it is to be proposed at least 48 hours before the meeting is to take place (or a later time the chairperson of the meeting determines).
- (c) A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:-
- (i) the chairperson of the meeting proposes the amendment at the meeting at which the special resolution is to be proposed; and
  - (ii) the amendment merely corrects a grammatical or other non-substantive error in the special resolution.
66. If the chairperson of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the vote on that resolution remains valid unless the Court orders otherwise.

#### **VOTING**

67. (a) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands, or on the withdrawal of any other demand for a poll) a poll is demanded. Subject to the provisions of the Ordinance, a poll may be demanded by:-
- (i) the chairman of the meeting; or
  - (ii) at least five members having the right to vote at the meeting; or
  - (iii) any member or members present in person or by proxy and representing, in the aggregate not less than five percent (5%) of the total voting rights of all members having the right to attend and vote at the meeting; or
  - (iv) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than five percent (5%) of the total sum paid up on all shares conferring that right.



- (b) Unless a poll is so demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lost shall be final and conclusive, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the facts without proof of the number of the votes recorded for or against such resolution.
68. A demand for a poll may be withdrawn only with the approval of the chairman of the meeting. If a poll be directed or demanded in the manner above mentioned it shall (subject to the provisions of Article 70 hereof) be taken at such time (being not later than 7 days after the date of the demand) and in such manner as the chairman of the meeting may appoint. No notice need be given of a poll not taken immediately. The result of such poll shall be deemed for all purposes to be the resolution of the meeting at which the poll was so directed or demanded.
69. In the case of an equality of votes at any general meeting, whether upon a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
70. A poll demanded upon the election of a chairman or upon a question of adjournment shall be taken forthwith. Any business, other than that upon which a poll has been demanded, may be proceeded with pending the taking of the poll.
71. (a) No objection shall be made to the validity of any vote except at a meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes whatsoever of such meeting or poll.
- (b) In case of any dispute as to voting the chairman shall determine the same, and such determination shall be final and conclusive.
72. (a) Subject to the provisions of the Ordinance, a resolution in writing signed by all the members who on the date of circulation of the resolution in writing are entitled to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing sent by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members. A resolution which is signed and sent by a member by facsimile message or in electronic form shall be treated as being signed by him for the purpose of this Article.
- (b) Where the Company has only one member and that member takes any decision that may be taken by the Company in general meeting and that has effect as if agreed by the Company in general meeting, unless that decision is taken by way of a written resolution agreed in accordance with section 548 of the Ordinance, a written record of that decision shall be sufficient evidence of the decision having been taken by the member. The member shall provide the Company with such written record of the decision within 7 days after the decision is made provided that failure by the member to provide the written record within such time limit shall not affect the validity of any decision concerned.

- (c) Notwithstanding any provisions contained in these Articles, a resolution in writing shall not be passed for the purpose of removing a director before the expiration of the director's term of office or for the purpose of removing the auditor before the end of the auditor's term of office.

#### **VOTES OF MEMBERS**

- 73. Subject to the Ordinance and to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, every member who is present in person or by proxy or by attorney at any general meeting shall be entitled, on a show of hands, to one vote only and, on a poll, to one vote for every fully paid-up share of which he is the holder.
- 74. On a poll, votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 75. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, curator bonis or other person in the nature of a committee or curator bonis appointed by that court, and any such committee, curator bonis or other person may, on a poll, vote by proxy. If any member be a minor, he may vote by his guardian or one of his guardians who may give their votes personally or by proxy.

#### **PROXIES**

- 76. (a) A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion provided that if a member appoints more than one proxy, none of the proxies so appointed shall be entitled to vote on the resolution on a show of hands.
- (b) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may accept, and shall be deemed, subject to the proviso hereinafter contained, to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit.

Provided that any form issued to a member for use by him for appointing a proxy to attend and vote at a general meeting or at an annual general meeting at which special business (determined as provided in Article 60 but excluding for the purposes of this proviso item (f) in Article 60) is to be transacted shall be such as to enable the member according to his intention to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such special business.

- 77. The instrument appointing a proxy shall be signed by the appointor, or his duly authorized attorney, or if such appointor be a corporation, under its common seal or signed by some officer, attorney or other person duly authorized in that behalf.

78. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Office or at such other place in Hong Kong as is specified in the notice convening the meeting not less than 48 hours before the time fixed for holding the meeting at which the person named in such instrument proposes to attend and vote or, in the case of a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for the taking of the poll; otherwise the person so named shall not be entitled to vote at that meeting (or as the case may be) except with the approval of the chairman of the meeting. In calculating the notice periods set out above, no account is to be taken of any part of a day that is a public holiday. No instrument appointing a proxy shall be valid except for the meeting mentioned therein and any adjournment thereof.
79. Any member may by power of attorney appoint any person to be his attorney for the purpose of attending and voting at any meeting, and such power may be a special power limited to any particular meeting or a general power extending to all meetings at which such member is entitled to vote. Every such power shall be deposited at the Office or at such other place in Hong Kong as is specified in the notice convening the meeting not less than 48 hours before the time fixed for holding the meeting at which such attorney proposes to attend and vote or, in the case of a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for the taking of the poll; otherwise the attorney shall not be entitled to vote at that meeting (or as the case may be) except with the approval of the chairman of the meeting.
80. (a) An instrument of proxy may be revoked by forwarding to the Office written notification of such revocation signed by or on behalf of the person who issued or authorized the issue of the instrument of proxy. A proxy's authority in relation to a resolution is to be regarded as revoked if the member who has appointed the proxy (a) attends in person the general meeting at which the resolution is to be decided; and (b) exercises, in relation to the resolution, the voting right attached to the shares in respect of which the proxy is appointed.
- (b) A vote given in accordance with the terms of an instrument of proxy or power of attorney shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or power of attorney, or transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office 24 hours at least before the time fixed for holding the meeting, or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

#### **DIRECTORS**

81. Unless and until otherwise determined by an ordinary resolution of the Company, the Directors shall be not fewer than two in number, and there shall be no maximum number of Directors.
82. A Director need not hold any shares in the Company. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

### **DIRECTORS' REMUNERATION**

83. (a) The Directors shall be paid out of the funds of the Company remuneration for their services such sum (if any) as the Company may by ordinary resolution from time to time determine.
- (b) The Directors shall also be entitled to be paid their reasonable expenses incurred in consequence of their attendance at meetings of Directors, committee meetings or general meetings or otherwise in or about the business of the Company.
84. The Directors may award extra remuneration out of the funds of the Company (by way of salary, commission or otherwise as the Directors may determine) to any Director who performs services which in the opinion of Directors are outside the scope of the ordinary duties of a Director.

### **POWERS OF DIRECTORS**

85. The business of the Company shall be managed by the Directors, who shall pay all expenses incurred in the formation and registration of the Company, and who may exercise all such powers of the Company as are not by the Ordinance or by these Articles required to be exercised by the Company in general meeting, subject to any provision in these Articles or the Ordinance and to any resolution, not being inconsistent with any such provision, as may be passed by the Company in general meeting; but no such resolution shall invalidate any prior act of the Directors. The general powers given to the Directors by this Article shall be in addition to, and not limited or restricted by, any special authority or power given to the Directors by any other Article.
86. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents for the Company, and may fix their remuneration, and may delegate (with or without power to sub-delegate as the Directors shall determine) to any local board/manager or agent any of the powers, authorities and discretions vested in the Directors, and may authorize the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
87. The Directors may from time to time and at any time by power of attorney or other instrument appoint any person or body of persons 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 these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney or other instrument 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 authorize any such attorney to sub-designate all or any of the powers, authorities and discretions vested in him.
88. Subject to and to the extent permitted by the Ordinance, the Company, or the Directors on behalf of the Company, may cause to be kept in any territory a Branch Register of members resident in such territory, and the Directors may make and vary such regulations as they may think fit respecting the keeping of any such Branch Register.

89. 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.
90. (a) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Debentures, bonds and other securities of the Company may be made assignable free from any equities between the Company and the person to whom the same may be issued 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.
- (b) The Directors shall cause a proper register to be kept, in accordance with the provisions of the Ordinance, of all mortgages and charges 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.

#### **APPOINTMENT AND REMOVAL OF DIRECTORS**

91. The Company may, from, time to time, by ordinary resolution appoint new Directors.
92. The Company may, at any general meeting convened and held in accordance with the Ordinance, by ordinary resolution, remove any Director notwithstanding anything in these Articles or in any agreement between him and the Company at any time before the expiration of his period of office (but such removal shall be without prejudice to any right to damages for termination of such agreement not in accordance with the terms thereof) provided that the notice of such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such director 28 days before the meeting and on the members, at least 14 days before the meeting. At such meeting such Director shall be entitled to be heard on the motion of his removal and, subject to these Articles, the Company may, if thought fit, by ordinary resolution, appoint another person in his stead.
93. The Directors shall have power, exercisable at any time and from time to time, to appoint any other person as a Director, either to fill a casual vacancy or as an addition to the Board.
94. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directorate that number, or of summoning a general meeting of the Company, but for no other purpose. If there shall be no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

## **ALTERNATE DIRECTORS**

95. Each Director (other than an alternate Director) may by written notification to the Company nominate any other person to act as alternate Director in his place and at his discretion in similar manner remove such alternate Director. The alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company; and each alternate Director, whilst acting as such, shall exercise and discharge all the functions, powers and duties of the Director he represents, but shall look to such Director solely for his remuneration as alternate Director. The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor. Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when the Director by whom he has been appointed removes him or vacates office as Director. A Director shall not be liable for the acts or defaults of any alternate Director appointed by him.
96. A Director who is also an alternate Director has an additional vote on behalf of each appointor who:-
- (a) is not participating in a Directors' meeting; and
  - (b) would have been entitled to vote if he or she were participating in it.
97. An alternate Director must not be counted or regarded as more than one Director for determining whether:
- (a) a quorum is participating; or
  - (b) a directors' written resolution is adopted.
98. Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a Director and he shall not be deemed to be the agent of the Director appointing him. The Director appointing the alternate director shall not be vicariously liable for any tort committed by the alternate director while acting in the capacity of an alternate director. The remuneration of any alternate director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such part (if any) of the last-mentioned remuneration as shall be agreed between the alternate director and the Director appointing him.

## **DISQUALIFICATION OF DIRECTORS**

99. The office of a Director shall ipso facto be vacated:-
- (a) if he ceased to be a director by virtue of any provision of the Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) or he becomes prohibited by law or court order from being a Director;
  - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (c) if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health and the directors resolve that his office be vacated;
  - (d) if he resigns his office;
  - (e) if he is removed by an ordinary resolution of the Company;
  - (f) if he is convicted of an indictable offence.

## **DIRECTORS' INTERESTS**

100. A Director (including his connected entities) who is in any way, whether directly or indirectly, interested in a transaction, arrangement or contract or proposed transaction, arrangement or contract with the Company that is significant in relation to the Company's business and the Director's interest is material, shall declare the nature and extent of his interest or his connected entities' interest at a meeting of the Directors at which the question of entering into the transaction arrangement or contract is first taken into consideration, if he knows his interest then exists, or in any other cases as soon as reasonably practicable, and in any event at the first meeting of Directors he knows that he is or has become so interested. Such declaration shall be made in accordance with the provisions of the Ordinance. A general notice given to the Directors by a Director to the effect that he or his connected entity is interested as a member, director, officer, employee or otherwise in a specified company or firm (with such notice specifying the nature and extent of the Director's interest), and is to be regarded as interested in any transaction, arrangement, contract or dealing which may, after the date of the notice, be entered into or made with that company or firm, shall, for the purpose of this Article, be deemed to be a sufficient disclosure of interest in relation to any transaction, arrangement, contract or proposed transactions, arrangement or contract or dealing so entered into or made. Without prejudice to the generality of the foregoing, a Director shall give notice to the Company of such matters relating to himself or his connected entities as may be necessary for the purposes of the Ordinance.
101. A Director may hold any other office or place of profit under the Company (other than the office of Auditor), and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director, for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. No Director or intended Director shall be disqualified by his office from contracting with the Company, nor shall any contract or arrangement or transaction entered into by or on behalf of the Company with any Director or any firm or company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit, remuneration or other benefits realized by any such transaction or arrangement or contract by reason only of such Director holding that office, or of any fiduciary relationship thereby established.
102. A Director or his alternate shall not be entitled to vote as a Director in respect of any transaction, arrangement or contract in which he or any of his connected entities is interested nor shall he or his alternate be counted for quorum purposes for the meeting at which any such transaction, arrangement or contract is to be considered, unless his interest arises only because the case falls within one or more of the following subparagraphs:
- (i) the resolution relates to the giving to him or his associate(s) or any of his connected entity(ies) of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him or any of them at the request of or for the benefit of, the Company or any of its subsidiaries;
  - (ii) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director or his associate(s) or any of his connected entity(ies) has/have himself/themselves assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- (iii) his interest arises by virtue of his or his associate(s) or any of his connected entity(ies) being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares in or debentures or other securities of or by the Company or any other corporation which the Company may promote or be interested in subscription, purchase or exchange;
  - (iv) the resolution relates to an arrangement for the benefit of the employees of the Company or any of its subsidiaries, including but without being limited to the adoption, modification or operation of any pension fund, or retirement, death or disability benefit scheme, which relates to both Directors, his associates, connected entities and employees of the Company or any of its subsidiaries and does not accord to any director or his associate(s) or his connected entity(ies) as such any privilege or advantage not generally accorded to the employees to whom the arrangement relates;
  - (v) any transaction, arrangement or contract in which the Director or his associate(s) or his connected entity(ies) 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 those shares, debentures or other securities of the Company;
  - (vi) the resolution relates to an arrangement concerning the adoption, modification or operation of any employee's share scheme, share incentive scheme or share option scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of, the employees of the Company or its subsidiaries under which the Director or his associate(s) or any of his connected entity(ies) may benefit.
103. A Director may hold office as a director in or manager of any other company in which the Company is a shareholder or is otherwise interested, and (subject to any agreement with the Company to the contrary) shall not be liable to account to the Company for any remuneration or other benefits receivable by him from such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company in such manner in all respects as the Board thinks fit (including the exercise thereof in favour of any resolution appointing the Directors or any of them directors or other officers of such company or voting or providing for the payment of remuneration to the directors of such company) and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or be about to be, appointed a director or other officer of such other company and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

#### **MANAGING DIRECTORS AND OTHER APPOINTMENTS**

104. The Directors may, from time to time, appoint one or more of their number to be Managing Director or Joint Managing Director of the Company, or to hold such office in the management, administration or conduct of the business of the Company as they may decide, and for such period and upon such terms and for such remuneration as the Directors shall think fit, and the Directors may also, from time to time (subject to the provisions of any agreement between him or them and the Company) remove him or them from office, and appoint another or others in his or their place or places.



105. A Managing Director or a Joint Managing Director (subject to the provisions of any agreement between him and the Company) shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and shall ipso facto and immediately cease to be Managing Director or Joint Managing Director if he shall cease to hold the office of Director.
106. The Directors may, from time to time, entrust to and confer upon any Managing Director, Joint Managing Director or Director, holding any other office in the management, administration or conduct of the business of the Company, such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they may consider expedient, and may confer such powers collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **PROCEEDINGS OF DIRECTORS**

107. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined by the Board, two Directors shall constitute a quorum. Matters arising at any meeting shall be decided by a majority of votes, in case of an equality of votes the chairman of the meeting shall have a second or casting vote. A Director or the Secretary may, at any time, summon a meeting of the Directors.
108. Notice of a meeting of Directors shall be deemed to be duly given to a Director if it is given to him personally, in writing or by word of mouth, or sent to him at his last known address or any other address given by him to the Company for this purpose. A Director may consent to short notice of and may waive notice of any meeting and any such waiver may be retrospective.
109. The Directors may elect a Chairman of the Board and determine the period for which he is to hold office; but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be chairman of such meeting.
110. A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution of the Directors passed at a meeting duly convened, held and constituted. A written notification of confirmation of such resolution in writing sent by a Director shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents, each signed by one or more Directors.
111. A meeting of the Directors at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Directors generally.
112. The Directors may, from time to time, appoint committees consisting of such one or more persons as they think fit, and may delegate any of their powers to any such committee and, from time to time, revoke any such delegation and discharge any such committee wholly or in part. Any committee so appointed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed upon it by the Directors.

113. The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, insofar as the same are not superseded by any regulations made by the Directors under the last preceding Article.
114. All acts done bona fide by any meeting of the Directors or of a committee of Directors, or by any persons acting as Directors, shall, notwithstanding that there was some defect in the appointment of any such Directors or persons acting as aforesaid, or that they or any of them were disqualified, or had vacated office, be as valid as if every such person had been duly appointed and was qualified and continued to be a Director.

#### **MINUTES**

115. The Directors shall cause to be entered and kept in books provided for the purpose minutes of the following:-
- (a) all appointments of officers;
  - (b) all the names of the Directors and any alternate Director who is not also a Director present at each meeting of the Directors and of any committee;
  - (c) all orders made by the Directors and committees; and
  - (d) all resolutions and proceedings of general meetings and of meetings of the Directors and committees.

Any such minutes of any meeting of the Directors, or of any committee, or of the Company, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting shall be receivable as evidence of the proceedings of such meeting.

116. The Directors must ensure that the Company keeps a written record of all the minutes under the preceding Article for at least 10 years from the date of those minutes.

#### **THE SEAL**

117. The Directors shall procure a common Seal to be made for the Company and shall provide for the safe custody of the Seal. The Seal shall be used only by the authority of a resolution of the Directors or a committee authorized by the Board in that behalf, and every instrument to which the Seal shall be affixed shall be signed by one Director or some other person nominated by the Directors for the purpose.
118. The Company may, by writing under its Seal, empower any person, either generally or in respect any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf abroad and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the Seal of the Company.
119. The Company may exercise all the powers of having official seals conferred by the Ordinance and such powers shall be vested in the Directors.

#### **SECRETARY**

120. The Directors shall appoint a Secretary of the Company for such period, at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them.

## **DIVIDENDS AND RESERVES**

121. The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.
122. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.
123. The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts and liabilities in respect of which the lien exists.
124. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to capitalisations to be effected in pursuance of these Articles.
125. No dividend shall be payable except out of the reserves of the Company, and no dividend shall bear interest as against the Company.
126. The Directors may, if they think fit, from time to time, resolve to pay to the members such interim dividends as appear to the Directors to be justified by the reserves of the Company. If at any time the share capital of the Company is divided into different classes the Directors may resolve to pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the holders thereof preferential or special rights in regard to dividend, and provided that the Directors act bona fide they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights. The Directors may also resolve to pay at half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the reserves of the Company justify the payment.
127. All dividends unclaimed for one year after having become payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed, and all dividends unclaimed for two years after having become payable may be forfeited by the Directors and shall revert to the Company. The payment into a separate account of any monies payable in respect of a dividend shall not constitute the Company a trustee in respect thereof for any person.

128. Unless otherwise directed any dividend or other monies payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or, in the case of joint holders, to the registered address of that one whose name stands first on the Register in respect of the joint holding, or addressed to such person at such address as the holder or joint holders shall direct. The Company shall not be liable or responsible for any cheque or warrant lost in transmission nor for any dividend or other monies lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant. Payment of the cheque or warrant by the banker on whom it is drawn shall be a good discharge to the Company.
129. The Directors may distribute in specie or in kind among the members in satisfaction in whole or in part of any dividend any of the assets of the Company, and in particular any shares or securities of other companies to which the Company is entitled.
130. Before recommending a dividend the Directors may set aside any part of the net profits of the Company to one or more reserves, and may apply the same either by employing it in the business of the Company or by investing it in such manner as they shall think fit and the income arising from such reserves shall be treated as part of the profits of the Company. Such reserves may be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an insurance fund, equalising dividends, paying special dividends, or for any other purpose for which the undivided profits of the Company may lawfully be used, and until the same shall be so applied it shall be deemed to remain undivided profit. The Directors may also carry forward as undivided profit any profit or balance of profit which they shall not think fit to recommend as dividend or to place to reserve.

#### **CAPITALISATION OF RESERVES ETC.**

131. Subject to the provisions of the Ordinance, the Company may upon the recommendation of the Directors resolve to capitalise any part of the Company's reserves or undivided profits and accordingly that such part be divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied as a capitalisation issue either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full new shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other:
132. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the reserves and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid-up shares, debentures or other securities and generally shall do all acts and things required to give effect thereto.
133. For the purpose of giving effect to any resolution under Articles 131 and 132 hereof the Directors may settle any difficulty which may arise in regard to the distribution or capitalisation, issue as they think expedient, and in particular may issue fractional certificates (or by disregarding the fractions or by rounding up or down), and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any members based upon the value so fixed or that fractions of such value as the Directors may determine may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the distribution or capitalisation issue as may seem expedient to the Directors. The provisions of the Ordinance in relation to the filing of contracts for allotment shall be

observed, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the distribution or capitalisation issue, and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

#### **ACCOUNTS AND AUDITORS**

134. The Directors shall cause proper books of account to be kept with respect to:-
- (a) all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place;
  - (b) all sales and purchases of goods by the Company; and
  - (c) the assets and liabilities of the Company.

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

135. 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 required by the Ordinance.

136. A copy of every Balance Sheet (including every document required by law to be annexed thereto) 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, shall not less than 21 days before the date of the meeting be sent to every member of, 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.

Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware nor to more than one of the joint holders of any shares or debentures.

137. Auditors shall be appointed and their duties regulated in the manner provided by the Ordinance.

#### **NOTICES**

138. Any notice to be given to or issued by or on behalf of the Company to any entitled person pursuant to these Articles or the Ordinance and other applicable laws, rules and regulations shall be in writing, except that a notice calling a meeting of the directors need not be in writing.

139. Subject to and to the extent not prohibited by law and in accordance with the Ordinance and other applicable laws, rules and regulations, the Company may give notice to any member or other entitled person:

- (a) personally;
- (b) by sending it by post in a prepaid envelope or wrapper addressed to the member at his registered address as appearing in the register (or in the case of any other entitled person, to such address as he may provide to the Company for that purpose);
- (c) by delivering or leaving it at such address as aforesaid;

- (d) by publishing such notice in one English language and one Chinese language newspaper;
- (e) by sending it in accordance with applicable legislation as an electronic communication to the member or the entitled person at his electronic address as he may provide to the Company;
- (f) by publishing it in accordance with applicable legislation on the Company's computer network (including the Company's website);
- (g) subject to the applicable legislation, by any other means authorised in writing by the member or the entitled person concerned; or
- (h) by any means permitted by applicable legislation.

In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member shall be entitled to have notices served on him at any address within Hong Kong or elsewhere. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address 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 24 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.

140. Any notice or document given or issued by or on behalf of the Company:

- (a) if sent by post, shall be deemed to have been served, received or delivered on the second business day (as defined in Part 18 of the Ordinance) 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 (and in the case of an address outside Hong Kong where airmail service can be extended thereto airmail postage prepaid), addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof;
- (b) if not sent by post but left by the Company at the registered address of a member or at the address (other than an address for the purposes of electronic communications) notified to the Company in accordance with these Articles by an entitled person not being a member, shall be deemed to have been served, received or delivered on the day it was so left;
- (c) if published by advertisement in newspapers in accordance with Article 139, shall be deemed to have been served, received or delivered on the day on which the notice or document is first published in newspapers;
- (d) if sent as an electronic communication, shall be deemed to have been served, received or delivered 48 hours after it had been so sent, or if later at the time as prescribed by the Ordinance and other applicable laws, rules and regulations;
- (e) if published on the Company's computer network (including the Company's website), shall be deemed to have been served, received or delivered 48 hours after the later of (a) where it is so published, (b) notification of such publication is

given by the Company at the time as prescribed by the Ordinance and other applicable laws, rules and regulations; and

- (f) if served, sent or delivered by any other means authorised in writing by the member or the entitled person concerned, shall be deemed to have been served, received or delivered in accordance with the terms of such authorisation, or if such terms of authorisation do not specify the terms of deemed service, receipt or delivery, shall be deemed to have been served, received or delivered 48 hours after the Company has carried out the action it has been authorised to take for that purpose.

For the purposes of calculating the period of 48 hours mentioned in this Article, any part of a day which is not a business day (as defined in Part 18 of the Ordinance) is to be disregarded.

- 141. Any person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every notice in respect of such share which, previously to his name and address being entered in the register of members, shall have been duly given to the person from whom he derives his title to such share.
- 142. A notice or document may be given, delivered or sent by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member addressed to that person by name, or by the title of representative of the deceased or trustee of the bankrupt or by any like description, at the address, if any, within Hong Kong supplied for that purpose by the person claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred.
- 143. The signature to any notice to be given by the Company may be written or printed.
- 144. The Directors may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of communications by electronic means, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such communication. A notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Directors.

#### **WINDING UP**

- 145. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid-up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively. This Article is, however, subject to the rights of the holders of any shares which may be issued on special terms or conditions.
- 146. If the Company shall be wound up, the liquidator (whether voluntary or official) may, with the sanction of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company or vest any part of the assets of the Company in trustees upon such trusts for the benefit of the members or any of them as the resolution shall provide. Any such resolution may provide for and sanction a distribution of any specific assets amongst different classes of members otherwise than in accordance with their existing rights, but each member shall in that event have a right of dissent and other

ancillary rights in the same manner as if such resolution were a special resolution passed pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

147. 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 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding-up of the Company may be served and, in default of such nomination, the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertising in the Hong Kong Government Gazette or by a registered letter sent through the post and addressed to such member at his address as appearing in the Register, and such notice shall be deemed to be served on the day on which the advertisement appears or the letter is posted.

#### **INDEMNITY**

148. (a) Subject to the provisions of the Ordinance, every Director, former Director, Chief Executive, responsible person or other officer and Auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of his office or otherwise in relation thereto and in particular and without prejudice to the generality of the foregoing every Director, former Director, Chief Executive, responsible person or other officer and Auditor of the Company shall be indemnified by the Company against; and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses which any such Director, former Director, Chief Executive, responsible person or other officer and Auditor may incur or become liable for by reason of any contract entered into, or act or thing done by him or them as such Director, former Director, Chief Executive, responsible person or other officer and Auditor, or in any way in the discharge of their or his duties, including travelling expenses; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims. Any person who is a Director, former Director, Chief Executive, responsible person or other officer and Auditor of the Company shall not be liable (except in consequence of his own dishonesty) for the acts, receipts, neglects or defaults of any other Director, former Director, Chief Executive, responsible person or other officer and Auditor of the Company or for any losses or expenses incurred by the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects of the Company shall be deposited or for any loss occasioned by any error of judgement, omission, default or oversight on their or his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto.



- (b) Paragraph (a) shall not apply to:
  - (i) any liability of the Director, former Director, Chief Executive, responsible person, officer or auditor to pay:
    - (A) a fine imposed in criminal proceedings; or
    - (B) a sum payable by way of a penalty in respect of non-compliance with any requirement of a regulatory nature; or
  - (ii) any liability incurred by the Director, former Director, Chief Executive, responsible person, officer or auditor:
    - (A) in defending criminal proceedings in which the Director, former Director, Chief Executive, responsible person, officer or auditor is convicted;
    - (B) in defending civil proceedings brought by the Company, or an associated company of the Company, in which judgment is given against the Director, former Director, Chief Executive, responsible person, officer or auditor;
    - (C) in defending civil proceedings brought on behalf of the Company by a member of the Company or of an associated company of the Company, in which judgement is given against the Director, former Director, Chief Executive, responsible person, officer or auditor;
    - (D) in defending civil proceedings brought on behalf of an associated company of the Company by a member of the associated company or by a member of an associated company of the associated company, in which judgment is given against the Director, former Director, Chief Executive, responsible person, officer or auditor; or
    - (E) in connection with an application for relief under section 903 or 904 of the Ordinance in which the Court refuses to grant the Director, former Director, Chief Executive, responsible person, officer or auditor relief.
- (c) A reference in paragraph (b)(ii) to a conviction, judgment or refusal of relief is a reference to a final decision in the proceedings.
- (d) For the purposes of paragraph (c), a conviction, judgment or refusal of relief:
  - (i) if not appealed against, becomes final at the end of the period for bringing an appeal; or
  - (ii) if appealed against, becomes final when the appeal, or any further appeal, is disposed of.
- (e) For the purposes of paragraph (d)(ii), an appeal is disposed of if:
  - (i) it is determined, and the period for bringing any further appeal has ended; or
  - (ii) it is abandoned or otherwise ceases to have effect.

## **INSURANCE**

149. Subject to the provisions of the Ordinance, the Directors may exercise all the powers of the Company to purchase and maintain insurance, at the expense of the Company, for the benefit of a person who is a Director, alternate Director, Chief Executive, manager, secretary and responsible person of the Company or of an associated company of the Company and the auditors for the purpose of indemnifying such persons and keeping them indemnified against liability for negligence, default, breach of duty or breach of trust (except for fraud) or other liability which may lawfully be insured against by the Company or its associated company (as the case may be) and any liability which may be incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or an associated company (as the case may be).

## **CONFLICTS WITH COMPANIES ORDINANCE**

150. (a) Notwithstanding anything contained in these Articles, if the Ordinance prohibits an act being done, the act shall not be done.
- (b) Nothing contained in these Articles prevents an act being done that the Ordinance requires to be done.
- (c) If any provision of these Articles is or becomes inconsistent with any provision of the Ordinance, these Articles are deemed not to contain that provision to the extent of the inconsistency and to the extent it does not breach any provision of the Ordinance.