

This is a consolidated version of the memorandum and articles of association of Goldbond Group Holdings Limited (the "Company"). It is not formally adopted by the shareholders of the Company at a general meeting.

In the event of inconsistency, the English texts of this consolidated memorandum and articles of association shall prevail over the Chinese texts thereof.

Certificate of Incorporation No. 9827

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF

GOLDBOND GROUP HOLDINGS LIMITED
金榜集團控股有限公司

Incorporated the 10th day of March 1964

HONG KONG

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

1. The name of the Company is "GOLDBOND GROUP HOLDINGS LIMITED 金榜集團控股有限公司".
2. The Registered Office of the Company will be situated in the Colony of Hong Kong.
3. The objects for which the Company is established are:
 - (a) To carry on all or any of the following businesses that is to say, the dyeing, bleaching, printing and finishing of cotton, synthetic fibre fabrics, linen, textiles and other materials of all kinds, to purchase grey cloth and to sell processed goods and to undertake all activities ancillary to the above and to undertake such activities either on commission or otherwise.
 - (b) To acquire and undertake the whole or any part of the business, goodwill, and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which this Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm, or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for limiting competition, or for mutual assistance with any such person, firm, or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property any Shares, Debentures, Debenture Stock, or securities that may be agreed upon, and to hold and retain, or sell, mortgage, and deal with any share, debentures, debenture stock, or securities so received.
 - (c) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business.

- (d) To construct, maintain and alter any buildings or works necessary or convenient for the purposes of this Company.
- (e) To sell or dispose of the undertaking of the Company, or any part or parts thereof, for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (f) To invest and deal with the moneys of the Company not immediately required upon such manner as may from time to time be determined.
- (g) To guarantee any person, firm or company either for the payment of any money or in the performance of any duties upon such terms and conditions as to the Company may seem fit.
- (h) To borrow or raise or secure the payment of money whether by way of actual loan or overdraft, or otherwise in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property or assets, including uncalled capital.
- (i) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and all other mercantile negotiable or transferable instruments.
- (j) To pay, satisfy, or compromise any claims against the Company which it may seem expedient to pay, satisfy or compromise notwithstanding that they may not be legally payable.
- (k) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of and turn to account, or otherwise deal with, all or any part of the property, business or rights of the Company.
- (l) As an independent object to carry on the business of manufacturers of and dealers of goods of all kinds and description.
- (m) As an independent object to import, export, barter, contract, buy, sell, deal in, and to engage in, conduct and carry on the business of importing, exporting, bartering, trading, contracting, buying, selling and dealing in goods, wares and merchandise of every class and description raw, manufactured or produced in any place throughout the world.
- (n) As an independent object to purchase and sell merchandise of every kind and nature for importation from and exportation throughout the world to and from and/or between any and/or all countries wherever situate including the purchase and sale of domestic merchandise in domestic markets and of foreign merchandise in foreign countries; such transactions to be for the account of the Company and/or others, and to constitute as one of said purposes the doing of a general foreign and domestic importing and exporting merchandise business and in particular, to carry on a general import and export business in any place throughout the world.

- (o) As an independent object to establish, maintain, conduct and acquire or dispose of either as principal or agents, trading posts of all kinds and description throughout the world and in connection therewith to do all such acts and things and to acquire and/or dispose of such real and/or personal property as is usual or customary with a general trading post business.
- (p) As an independent object to establish, conduct and carry on business as retailers of and wholesale dealers in goods and merchandise of every kind and description.
- (q) As an independent object to carry on all or any of the businesses of general contractors and engineering contractors (whether civil, mechanical, electrical, structural, chemical, aeronautical, marine or otherwise).
- (r) As an independent object to develop, improve and utilize any land within the said colony or elsewhere acquired by the Company, or in which the Company is interested, and lay out and prepare the same for building purposes, construct, alter, pull down, decorate, maintain, fit up and improve buildings, roads, and conveniences, and to plant, pave, drain, maintain, let on building lease or building agreement any such land, and advance money to, enter into contracts and arrangements of all kinds with builders and tenants of and others interested in any such land.
- (s) As an independent object to acquire by licence, lease or in any other lawful manner, the exclusive or other right or licence to manufacture, distribute, sell and generally deal in appliances, forms, equipment, devices, tools, machinery and any and all kinds of articles of any character or description whether patented or otherwise; to sub-license or grant to any other corporation or any organization or person the right or licence to manufacture, distribute, use, sell and generally deal in any of the articles or things in which this Company shall deal.
- (t) As an independent object to carry on all or any of the businesses usually carried on by land investment, land development, land mortgage and real estate companies in all their several branches.
- (u) As an independent object to carry on in any part of the world business as financiers, capitalists, concessionaires, commercial agents, commissionaires, mortgage and bullion brokers and financial agents and advisers and to lend and advance money and to give credit to such persons and on such terms and conditions as may from time to time be determined.
- (v) As an independent object to enter into and issue notes, bonds, obligations, indemnities, guarantees and evidences of indebtedness of every kind and description and to secure the same in such manner as the Company may think fit.
- (w) As an independent object to promote assist and acquire, financially or otherwise, corporations, firms, syndicates, associations, individuals, and others; to become a member of any partnership or a party to any lawful agreement for sharing profits or to any union of interests, merger, agreement for reciprocal

concessions, joint venture, or co-operation or mutual trade agreement with any person, association, partnership, copartnership, firm or corporation that is carrying on, or engaging or that is about to engage in any business whether similar or dissimilar to the business of the Company calculated directly or indirectly to benefit this Company.

- (x) As an independent object to purchase or by any other lawful means acquire and protect, prolong and renew, throughout the world any patents, patent rights, copyrights, trade marks, processes, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account to manufacture under or grant licences or privileges in respect of the same, and to expend money in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (y) As an independent object to enter into any arrangements, for profit-sharing with any of the directors or employees of the Company or of any company in which the Company may for the time being hold a share or shares (subject to the consent and approval of such company). To grant sums by way of bonus or allowance to any such directors or employees or their dependents or connection, and to establish or support, or aid in the establishment and support, of provident and gratuity funds, associations, institutions, schools or conveniences calculated to benefit directors or employees of the Company or its predecessors in business or any companies in which the Company owns a share or shares or the dependents or connections or such persons, to grant pensions and to make payments towards insurance.
- (z) As an independent object to obtain any Order of the Chief Executive of the Hong Kong Special Administrative Region ("**HKSAR**") of the People's Republic of China or of any legislative body from time to time or any Provisional or other Order of any proper authority in the HKSAR or elsewhere, for enabling the Company to carry any of its objects into effect, or for dissolving the Company and re-incorporating its members as a new Company, for any of the objects specified in this Memorandum, or for effecting any modification in the Company's constitution.
- (aa) To do all or any of the above things in any part of the world, and as principals, agents, trustees or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.
- (bb) To distribute any of the property of the Company among the members in specie.
- (cc) To do all such other things as the Company may deem incidental or conducive to the attainment of the above objects or any of them.

4. The Liability of the Members is limited.

5. The Capital of the Company is HK\$2,506,840,000 divided into (i) 40,000,000 redeemable convertible preference shares (“A’ Limited Voting Convertible Preference Shares”) of nominal value HK\$0.10 each, (ii) 28,400,000 redeemable convertible preference shares (“B’ Limited Voting Convertible Preference Shares”) of nominal value of HK\$0.10 each and (iii) 25,000,000,000 ordinary shares of nominal value HK\$0.10 each.

* *As increased and sub-divided by Ordinary and Special Resolutions passed on 25th August, 1972, sub-divided by Special Resolution passed on 16th November, 1987 and increased by Ordinary Resolution passed on 6th December, 1996, 13th December, 1999, 28th August, 2000, 4th July, 2001 and 22nd June, 2002 respectively and increased, sub-divided and consolidated by Special Resolutions passed on 11 th April, 2003.*

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
P.A.L. VINE 103, Tregunter Mansion, Old Peak Road, Hong Kong, Solicitor.	One
RAYMOND E. MOORE Flat 7, Aigburth Hall, May Road, Hong Kong, Solicitor.	One
Total Number of Shares Taken	Two

Dated the 10th day of March, 1964.

WITNESS to the above signatures:

SIMON MAYO

Solicitor,

HONG KONG

Company Limited by Shares

REPRINTED ARTICLES OF ASSOCIATION

OF

GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(updated by a Special Resolution passed on 28 September 2007)

Interpretation

1. The marginal notes shall not affect the construction thereof. In these Articles, unless the context otherwise requires:-

"the Ordinance" means the Companies Ordinance and any Statutory Modification or re-enactment for the time being in force.

"the Company" means GOLDBOND GROUP HOLDINGS LIMITED 金榜集團控股有限公司.

"these Presents" means these Articles of Association and the regulations of the Company for the time being in force.

"the Directors" means the Directors for the time being of the Company.

"the Office" means the Registered Office for the time being of the Company.

"the Register" means the Register of Members to be kept pursuant to the Ordinance.

"the Seal" means the Common Seal of the Company.

"Dividend" includes bonus.

"Month" means calendar month.

"Year" means year from the 1st January to the 31st December inclusive.

"Dollars" means Dollars of Hong Kong Currency.

"Member" means any duly registered Shareholder holding one or more shares in the Company.

"associate" shall have the meaning ascribed to it in the Listing Rules from time to time.

"Listing Rules" means the Rules Governing the Listing of Securities on the SEHK.

"SEHK" means The Stock Exchange of Hong Kong Limited.

"SFO" means the Securities and Futures Ordinance (Cap. 571 of Laws of Hong Kong), as amended from time to time, and every other act of the legislature of Hong Kong for the time being in force applying to or affecting the Company, its memorandum of association and/or the Articles.

"Recognised Clearing House" means a recognised clearing house within the meaning of Schedule 1 of the SFO or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted with the permission of the Company on a stock exchange in such jurisdiction.

"In writing" and "written" includes printing, lithography and other modes of representing or reproducing words in a visible form.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include Corporations.

2. Subject to the preceding Articles, any words defined in the Ordinance shall if not inconsistent with the subject or context bear the same meaning in these Articles.

Table "A"

3. The regulations contained in Table "A" in the First Schedule to the Companies Ordinance, shall not apply to the Company.

Business

4. Any branch or kind of business, which the Company is either expressly or by implication authorised to undertake, may be undertaken by the Company at such time or times as the Directors think fit, and further may be suffered by the Directors to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with the same.

Share Capital

5. Subject to the provisions of the Ordinance, the powers of the Company to purchase or otherwise acquire its shares (including its redeemable shares), and warrants or other securities (of whatever nature including without limitation convertible debt securities) for (or which include provision for) the subscription or purchase of its own shares (including redeemable shares), shall be exercisable by the Directors upon such terms and subject to such conditions as they think fit and, should the Company acquire its

own shares or other securities, neither the Company nor the Directors shall be required to select the shares or other securities to be acquired rateably or in any other particular manner as between the holders of shares or other securities of the same class or as between them and the holders of shares or other securities of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares or other securities, provided that, in respect of a purchase of redeemable shares;

- (i) the price per share for purchases proposed to be made otherwise than by tender in the manner prescribed in (ii) below or on or through a stock exchange on which such shares are listed shall not exceed 100 per cent. of the average closing prices for dealings in one or more board lots of such shares on The Stock Exchange Exchange of Hong Kong Limited or its successor for the time being for the five trading days immediately before the date on which the purchase is made (whether conditionally or otherwise); and
 - (ii) where any such purchase is proposed to be made by tender, tenders shall be made available to all holders of such shares on the same terms.
6. In addition to all other powers of paying commissions, the Company (or the Directors on behalf of the Company) may exercise the powers of paying commissions conferred by the Ordinance. Provided that the rate per cent or the amount of the commission paid or agreed to be paid in respect of any shares shall be disclosed in the manner required by law, and shall not exceed the rate of ten per cent of the price at which the shares are issued, or an amount equivalent thereto. Such commissions may be paid in cash or satisfied by the allotment of fully paid shares of the Company at par or partly in one way and partly in another as may be agreed. The Company (or the Directors on behalf of the Company) may also on any issue of shares pay such brokerage as may be lawful.
7. The shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times as the Directors think fit. In particular, but without limiting the foregoing, the Directors shall have power to allot and issue shares in the capital of the Company to any other person or persons for or in consideration of the transfer to the Company of any shares in or securities of any other company or enterprise or the purchase or acquisition by the Company of any property or assets, real or personal whatsoever in such manner and on such terms and conditions as the Directors think fit.
8. Subject to the provisions, if any, in that behalf of the Memorandum of Association, and without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred, or other special rights, or such restrictions, whether in regard to dividend, voting, return of share capital, or otherwise, as the Company may from time to time by Special Resolution determine, and 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. The terms and manner of redemption shall be provided for by alteration of these Presents.

8A The authorised share capital of the Company is HK\$2,506,840,000 divided into (i) 25,000,000,000 ordinary shares of HK\$0.10 each; (ii) 40,000,000 redeemable convertible preference shares of HK\$0.10 each (“A’ Limited Voting Convertible Preference Shares” which are subject to the rights and restrictions set out below); and (iii) 28,400,000 redeemable convertible preference shares of HK\$0.10 each (“B’ Limited Voting Convertible Preference Shares” which are subject to the rights and restrictions set out below).

8B.1 INTERPRETATION

The provisions of this Article shall apply to the ‘A’ Limited Voting Convertible Preference Shares and the ‘B’ Limited Voting Convertible Preference Shares (both as defined below) in the Company.

(a) In this Article, unless the context otherwise requires, the following expressions shall have the following meanings:-

(A) **“A’ Limited Voting Convertible Preference Shares”** means the 40,000,000 non-interest bearing convertible redeemable preference shares of HK\$0.10 each in the capital of the Company or such other shares or securities as may be derived therefrom as a result of any consolidation or subdivision;

“B’ Limited Voting Convertible Preference Shares” means the 28,400,000 non-interest bearing convertible redeemable preference shares of HK\$0.10 each in the capital of the Company or such other shares or securities as may be derived therefrom as a result of any consolidation or subdivision;

(Collectively **“Limited Voting Convertible Preference Shares”**, or be referred to each as specified);

“Articles” means the Articles of Association for the time being adopted by the Company;

“Business Day” means a day on which commercial banks are open for and carrying on business in Hong Kong;

“Closing Price” means the closing price on the Relevant Stock Exchange, as published by the Relevant Stock Exchange, or in the absence of any such published closing price, the last published closing price;

“Company” means Goldbond Group Holdings Limited 金榜集團控股有限公司;

“Company’s Redemption Notice” means a notice given by the Company stating that all or some of the Limited Voting Convertible Preference Shares (being 100 Limited Voting Convertible Preference Shares or an integral multiple thereof) are to be redeemed on a specified date (being not more than 60 days nor less than 30 days after the date on which such notice may be given) and specifying the place at which certificates for such Limited Voting Convertible Preference Shares must be presented in connection with such redemption;
“Conversion Date” means 12 noon on the Business Day immediately following that on which an effective Conversion Notice shall have been delivered;

“Conversion Notice” means a notice, in such form as the Directors may from time to time specify, stating that a Convertible Preference Shareholder wishes to exercise the Conversion Right in respect of one or more Convertible Preference Shares;

“Conversion Number” means such number of Ordinary Shares as may, upon exercise of the Conversion Right, be subscribed at the Conversion Price in force on the relevant Conversion Date;

“Conversion Period” means the period in Article 8B. 4(C) and (D);

“Conversion Price” means HK\$0.36, HK\$0.60 and HK\$1.00 per Ordinary Share pursuant to Article 8B. 4(C) and (D) and such conversion price shall be subject to adjustments as set out in Article 8B.7;

“Conversion Right” means the right, subject to the provisions of the Articles, the Ordinance and to any other applicable fiscal or other laws or regulations, to convert the Limited Voting Convertible Preference Shares into the Conversion Number of Ordinary Shares during the relevant Conversion Period;

“Convertible Preference Shareholder” means a person or persons who is or are registered in the Register as a holder or joint-holders of Limited Voting Convertible Preference Shares;

“Converting Shareholder” means a Convertible Preference Shareholder all or some of whose Limited Voting Convertible Preference Shares are being or have been converted;

“Dealing Day” means a day on which the Relevant Stock Exchange is open for business and on which trading in the Ordinary Shares or other relevant securities is not suspended;

“Directors” means the board of directors of the Company or the directors present at a meeting of directors at which a quorum is present;

“Equity Share Capital” means issued share capital excluding any part thereof which neither as respect dividends nor as respects capital carries any right to participate beyond a specified amount in a distribution;

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

“Issue Date” means, in respect of any Limited Voting Convertible Preference Share, the date on which the Limited Voting Convertible Preference Share was issued and allotted;

“Ordinance” means the Companies Ordinance (Cap.32) of Laws of Hong Kong, as amended from time to time, and every other act of the legislature of Hong Kong for the time being in force applying to or affecting the Company, its memorandum of association and/or the Articles; **“Ordinary Shares”** Ordinary Shares" means (i) fully paid ordinary shares of HK\$0.10 each (or of such other nominal value in which such ordinary shares are for the time being denominated following any consolidation or sub-division which gives rise to an

adjustment to the Conversion Price in accordance with Article 8B.7) in the Company of the class listed on the Hong Kong Stock Exchange as the date of adoption of this Article or, where the context so requires, stock resulting from the conversion of Ordinary Shares into stock, provided that if all of the Ordinary Shares are replaced by other securities (all of which are identical), the expression "Ordinary Shares" shall thereafter refer to these other securities; and (ii) any such ordinary shares comprised in any issue, distribution or grant pursuant to which, when fully paid, will be Ordinary Shares;

“Record Date” means the date and time by which a subscriber or transferee of securities of the class in question would have to be registered in order to participate in the relevant distribution or rights;

“Redemption Date” means, with respect to any Relevant Limited Voting Convertible Preference Share, the date specified in the relevant Redemption Notice as the date on which the Relevant Limited Voting Convertible Preference Share is to be redeemed;

“Redemption Notice” means a Company’s Redemption Notice or a Shareholder’s Redemption Notice;

“Redemption Value” means the value of HK\$10.00 attributed to each Limited Voting Convertible Preference Share;

“Register” means the principal register and, where applicable, any branch register of duly registered holders from time to time of shares in the capital of the Company and to be kept pursuant to the Ordinance;

“Registrar’s Office” means the office of Central Registration Hong Kong Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong or such office of such person or such other person as the Company may from time to time designate by notice published in accordance with the Articles;

“Relevant Convertible Preference Shares” means a Limited Voting Convertible Preference Share which is to be converted pursuant to a Conversion Notice or redeemed pursuant to a Redemption Notice;

“Relevant Jurisdiction” means a jurisdiction in which the Company or any of its subsidiaries is incorporated, carries on business or holds any assets;

“Relevant Ordinary Share” means an Ordinary Share to be issued on conversion of the requisite number of Limited Voting Convertible Preference Share(s);

“Relevant Stock Exchange” means (i) the stock exchange on which the Ordinary Shares are at the relevant time principally traded, as determined by the Company, or (ii) if, for the purposes of Article 8B.7, the consideration at which any shares or securities are or are to be issued or transferred, or the relevant exercise, exchange or subscription price, if any, for such shares or securities, is to be fixed by reference to the price of such shares or securities on a particular stock exchange, that stock exchange;

“this Article” means this article 8B;

“Shareholder’s Redemption Notice” means a notice given by the Convertible Preference Shareholder stating that all or some of the Limited Voting Convertible Preference Shares held by him (being 100 Limited Voting Convertible Preference Shares or an integral multiple thereof) are to be redeemed on a specified date (being not more than 60 days nor less than 30 days after the date on which such notice may be given) in such form as may from time to time be specified by the Directors (and which shall be available upon request free of charge from the Registrar's Office);

“Hong Kong dollars” or **“HK\$”** means the lawful currency of Hong Kong; and

(B) references to:-

companies include references to any bodies corporate however and wherever incorporated;

distribution include references to any dividend or other distribution (including a distribution in specie) or capitalisation issue;

provisions are references to the provisions of this Article and the Articles (as the case may be);

property include references to shares, securities, cash and other assets or rights of any nature;

dates and times are to dates and times in Hong Kong; and

a **gender** include any other gender.

8B.2.1 CAPITAL

On a return of capital on liquidation (but not on conversion or redemption) the Limited Voting Convertible Preference Shares shall confer on the Convertible Preference Shareholders the right to be paid, in priority to any return of assets in respect of any other class of shares in the capital of the Company, *pari passu* as between themselves an amount equal to the aggregate Redemption Values of the Limited Voting Convertible Preference Shares, payable among the holders of the Limited Voting Convertible Preference Shares, *pari passu* as between themselves. The Limited Voting Convertible Preference Shares shall not confer any further right to participate in the assets of the Company.

8B.2.2 OTHER DISTRIBUTIONS, ETC.

The Limited Voting Convertible Preference Shares do not confer on the Convertible Preference Shareholders any right to any dividend, distribution or payment other than provided in Article 8B.2.1 or in other provisions of this Article.

8B.3 RANKING

The Company shall not (unless such sanction has been given by the Convertible Preference Shareholders as would be required for a variation of the special rights attaching thereto or unless otherwise provided in the Articles) create or issue any shares ranking as regards order in the participation in the assets of the Company on a winding up in priority to the Limited Voting Convertible Preference Shares, but the Company may create or issue, without obtaining the consent of the Convertible Preference Shareholders, shares ranking *pari passu* in all respects (including as to

class) with the Limited Voting Convertible Preference Shares and the existing and further Ordinary Shares.

8B.4 CONVERSION

- (A) Each Convertible Preference Shareholder shall have the Conversion Right in relation to the Limited Voting Convertible Preference Shares held by him.
- (B) Any Convertible Preference Shareholder may exercise the Conversion Right in respect of the Limited Voting Convertible Preference Shares held by him at any time during the period set out in Article 8B.4 (C) and (D) subject to the provisions of the Ordinance and any other applicable fiscal and other laws and regulations by delivering a duly signed and completed Conversion Notice to the Registrar's Office.
- (C) The 'A' Limited Voting Convertible Preference Shares shall be convertible into Ordinary Shares in stages as follows:
 - (i) not more than HK\$1,333,332 equivalent nominal value of 'A' Limited Voting Convertible Preference Shares shall become convertible within a period of 12 months after the Issue Date at a conversion price of HK\$0.36 per Share;
 - (ii) not more than HK\$1,333,332 equivalent nominal value of 'A' Limited Voting Convertible Preference Shares shall become convertible within a period commencing from the beginning of the 13th month up to the end of the 24th month after the Issue Date at a conversion price of HK\$0.60 per Share; and
 - (iii) the balance of HK\$1,333,336 equivalent nominal value of 'A' Limited Voting Convertible Preference Shares shall become convertible within a period commencing from the beginning of the 25th month up to the end of the 36th month after the Issue Date at a conversion price of HK\$1.00 per Share.
- (D) The 'B' Limited Voting Convertible Preference Shares shall be convertible into Ordinary Shares in stages as follows:
 - (i) not more than HK\$946,665 equivalent nominal value of 'B' Limited Voting Convertible Preference Shares shall become convertible within a period of 12 months after the Issue Date at a conversion price of HK\$0.36 per Share;
 - (ii) not more than HK\$946,665 equivalent nominal value of 'B' Limited Voting Convertible Preference Shares shall become convertible within a period commencing from the beginning of the 13th month up to the end of the 24th month after the Issue Date at a conversion price of HK\$0.60 per Share; and
 - (iii) the balance of HK\$946,670 equivalent nominal value of 'B' Limited Voting Convertible Preference Shares shall become convertible within a period commencing from the beginning of the 25th month up to the end of the 36th month after the Issue Date at a conversion price of HK\$1.00 per Share.
- (E) A Conversion Notice shall not be effective if:-

- (i) the Conversion Date in respect of the Conversion Notice does not fall within the Conversion Period;
 - (ii) it is not accompanied by the share certificates in respect of the Relevant Convertible Preference Shares and such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right (or, if such certificates have been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require);
 - (iii) it is not accompanied by banker's cashier orders or similar instruments payable to the Company in respect of all taxes and stamp, issue and registration duties (if any) arising on conversion; and
 - (iv) it does not include a declaration and confirmation that the beneficial owner of the Relevant Convertible Preference Shares, and of the Relevant Ordinary Shares, is not a resident or national of any foreign jurisdiction where the exercise of the conversion rights attached to the Relevant Convertible Preference Shares is prohibited by any law or regulation of that jurisdiction or where compliance with such laws or regulations would require filing or other action by the Company; or that delivery of the Relevant Convertible Preference Shares or Relevant Ordinary Shares will not result in a breach of any exchange control, fiscal or other laws or regulations for the time being applicable.
- (F) Conversion of the Limited Voting Conversion Preference Shares shall be effected in such manner as the Directors shall, subject to the Articles and as may be authorised by law, from time to time determine.

Without prejudice to the generality of the foregoing, any Limited Voting Convertible Preference Share may be converted by redemption on the relevant Conversion Date out of (i) the capital paid up on the Limited Voting Convertible Preference Shares or (ii) any share premium account of the Company or (iii) the profits of the Company which would otherwise be available for dividend or (iv) the proceeds of a fresh issue of shares made for the purpose, or any combination of (i), (ii), (iii) and/or (iv) and each Conversion Notice shall be deemed to authorise and instruct the Directors to retain any redemption moneys otherwise payable to the Converting Shareholder giving such notice and, in respect of each Limited Voting Convertible Preference Share the subject of the Conversion Notice, to apply the same in the subscription on such Converting Shareholder's behalf of the Conversion Number of Ordinary Shares (subject to the treatment of fractions described in Article 8B.12) and, to the extent that conversion shall be effected out of the proceeds of a fresh issue of shares, where appropriate, each Conversion Notice shall be deemed:-

- (i) to appoint any person selected by the Directors as such Converting Shareholder's agent with authority to apply an amount equal to the redemption moneys in respect of the Relevant Convertible Preference Shares in subscribing on such Converting Shareholder's behalf for the Conversion Number of Ordinary Shares (subject to the treatment of fractions described in Article 8B.12); and
- (ii) to authorise and instruct the Directors following the allotment of such Ordinary Shares to pay the said redemption moneys to such agent who shall be entitled to retain the same for his own benefit without being accountable therefor to such Converting Shareholder.

provided that if the Converting Shareholder has a registered address in any territory where in the absence of a registration statement or any other special formalities the allotment or delivery of any Relevant Ordinary Shares would or might in the opinion of the Directors be unlawful or impracticable under the laws of such territory or any Relevant Jurisdiction, then the Company shall as soon as reasonably practicable either (i) allot the Relevant Ordinary Shares to one or more third parties selected by the Company or (ii) allot the Relevant Ordinary Shares to the Relevant Convertible Preference Shareholder and then, on his behalf, sell them to one or more third parties selected by the Company, in each case for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following any such allotment or allotment and sale, the Company shall pay the Converting Shareholder an amount equal to the consideration received by it.

- (G) Each Convertible Preference Shareholder irrevocably authorises the Company to effect the transactions required by sub-provision (F) above and for this purpose the Company may appoint any person to execute transfers, renunciations or other document on behalf of the Convertible Preference Shareholder and generally may make all arrangements which appear to it to be necessary or appropriate in connection therewith.

The Company shall allot and issue the Relevant Ordinary Shares or, as the case may be, send the amount to which he is entitled pursuant to sub-provision (F) above to the Converting Shareholder and shall procure that certificates in respect of the Relevant Ordinary Shares, together with a new certificate for any unconverted Limited Voting Convertible Preference Shares comprised in the certificate(s) surrendered by him, are issued as soon as practicable and in any event not later than 28 days after the relevant Conversion Date.

If and whenever any conversion takes place after the occurrence of any event falling within any sub-provision of Article 8B.7 but before the amount of the relevant adjustment to the Conversion Price (if any) shall have been calculated sub-provision (F) above shall:

- (i) initially have effect in connection with that conversion as if the expression "Relevant Ordinary Shares" referred to the Ordinary Shares which the Company would be obliged to issue if the Conversion Price were not to be adjusted in respect of the relevant event; and
 - (ii) apply again in connection with that conversion following the calculation of the amount of that adjustment as if the expression "Relevant Ordinary Shares" referred to the additional Ordinary Shares (if any) which the Company is obliged to issue in consequence of that adjustment.
- (H) Except where the Company has allotted or sold the Relevant Ordinary Shares pursuant to the proviso to sub-provision (F) in relation to conversion by redemption, the Company shall, as soon as reasonably practicable, account to the Convertible Preference Shareholder for all distributions paid or made on the Relevant Ordinary Shares pursuant to Article 8B.6.
- (I) If, so long as the Conversion Right in respect of any of the Convertible Preference Shares remains exercisable, a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved (otherwise than for the purposes of a reconstruction, merger or consolidation the terms whereof have previously been approved by the Convertible Preference Shareholders as a class in the manner provided in the Articles), notice thereof shall forthwith be given by the Company to the

Relevant Convertible Preference Shareholders and each Convertible Preference Shareholder shall (whether or not the Conversion Right(s) attaching to his Limited Voting Convertible Preference Share(s)) are then otherwise exercisable) be entitled, at any time after the passing of such resolution or (as the case may be) the making of such order, until the expiration of 6 weeks after the date of such notice (but not thereafter), to elect (by giving a Conversion Notice duly completed and executed together with the certificates, statements and other items listed in Article 8B.4(E)(ii) to (iv) and otherwise complying with Article 8B.4(E)) to be treated as if all or any of his Limited Voting Convertible Preference Share(s) had been converted immediately prior to the passing of such resolution or, as the case may be, the making of such order.

In that event, such Convertible Preference Shareholder shall be entitled to be paid, in satisfaction of the amount due in respect of such of his Limited Voting Convertible Preference Shares as are to be treated as if converted, a sum equal to the amount to which he should have become entitled in such liquidation if he had been the holder of the Ordinary Shares to which he would have become entitled by virtue of such conversion, fractions being disregarded for this purpose, to the date of the resolution or, as the case may be, such order.

On the expiry of the said period of 6 weeks, any outstanding Limited Voting Convertible Preference Shares shall cease to be capable of conversion. Subject as provided in this sub-provision, the Conversion Right shall lapse in the event of a resolution being passed or an order of a court of competent jurisdiction being made that the Company be wound up or dissolved (otherwise than as aforesaid).

8B.5 REDEMPTION

Convertible Preference Shareholder's option

- (A) Subject to the Ordinance, the Convertible Preference Shareholder may, in relation to any Limited Voting Convertible Preference Share held by him, at any time 50 years after the Issue Date give a Redemption Notice which shall be duly signed and completed and delivered, together with the certificate for the Relevant Convertible Preference Shares and such other evidence (if any) as the Director may reasonably require to prove the title of the holder exercising such right (or, if such certificate has been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require) and payment of all taxes and stamp, issue and registration duties (if any) arising on redemption, to the Registrar's Office.
- (B) In the case of any redemption by a Convertible Preference Shareholder, the redemption price per Limited Voting Convertible Preference Share shall equal to its Redemption Value.
- (C) Once given, a Shareholder's Redemption Notice may not be withdrawn without the consent in writing of the Company and may not be given if the Company shall have previously given a Company's Redemption Notice in respect of the Relevant Convertible Preference Shares or the Convertible Preference Shareholder shall have previously given a Conversion Notice in respect of the same Limited Voting Convertible Preference Shares.

Company's option

- (D) Subject to the Ordinance, the Company may, in relation to any Limited Voting Convertible Preference Share, give a Redemption Notice at any time 50 years after the Issue Date or at any time after 30 days from the Issue Date if the average of the Closing Prices of an Ordinary Share during the preceding 30 consecutive Dealing Days ending on the seventh day prior to the date upon which notice of redemption is given is equal to or greater than 150 % of the Conversion Price in effect on such seventh day.
- (E) In the case of a partial redemption, the Limited Voting Convertible Preference Shares to be redeemed shall be selected individually by lot in such place as the Directors shall select and in such manner as the Directors shall deem to be appropriate and fair, not more than 60 days prior to the Redemption Date and notice containing a list of Limited Voting Convertible Preference Shares called for redemption, and the Redemption Date, shall be published in accordance with the Articles not less than 30 days prior to such date.
- (F) In the case of any redemption, the redemption price shall be equal to the Redemption Value of a Limited Voting Convertible Preference Share.

General

- (G) The holder of any Relevant Convertible Preference Share shall, on or before the Redemption Date, deliver the certificate relating to the Relevant Convertible Preference Share and such other evidence (if any) as the Directors may reasonably require to prove the title of the holder (or, if such certificate has been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require) to the Company at the place specified for such purpose in the relevant Redemption Notice.
- (H) At 12 noon on the Redemption Date, the Company shall redeem the Relevant Convertible Preference Shares and, upon delivery, on or after the Redemption Date, of the certificate or other evidence of title and indemnity referred to in sub-provision (G) above, the Company shall pay the Relevant Convertible Preference Shareholder the Redemption Value.

8B.6 RELEVANT ORDINARY SHARES

The Relevant Ordinary Shares shall, save as provided for in this Article, rank *pari passu* in all respects with the Ordinary Shares in issue at the time the Relevant Ordinary Shares are issued, and shall entitle the holders thereof to all distributions paid or made on the Ordinary Shares by reference to a Record Date falling after the Conversion Date.

8B.7 CONVERSION PRICE ADJUSTMENT

The Conversion Price is subject to adjustment as follows:-

- (i) If and whenever there shall be an alteration in the nominal value of the Ordinary Shares by reason of consolidation or sub-division, the Conversion Price shall be adjusted in relation to subsequent conversions by multiplying it by a fraction of which the numerator shall be the nominal value of one Ordinary Share immediately after such alteration and of which the denominator shall be the nominal value of one Ordinary Share immediately before such alteration and such adjustment shall become effective immediately after such alteration takes effect.

- (ii) On any calculation of any adjustment, the resultant Conversion Price shall be rounded down to the nearest one Hong Kong cent. No adjustment shall be made to the Conversion Price which would amount to less than 1% of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has been adjusted, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustments shall be given to Convertible Preference Shareholders.
- (iii) The Conversion Price may only be reduced so that on conversion Ordinary Shares would fall to be issued at a discount to their nominal value (HK\$0.25 at the date of the adoption of this Article) if the Company establishes and maintains a reserve, which, if the Ordinance permit, is to be applied in paying up such amounts on the Ordinary Shares to be issued on conversion as may be necessary to ensure that they are not issued at a discount.

8B.8 UNDERTAKINGS

So long as any Limited Voting Convertible Preference Share remains outstanding:-

- (A) the Company will use its best endeavours (i) to maintain a listing of all the issued Ordinary Shares on the Hong Kong Stock Exchange and (ii) to obtain and maintain a listing on the Hong Kong Stock Exchange for all Relevant Ordinary Shares issued on the exercise of the Conversion Rights;
- (B) if an offer is made during the Conversion Period to the holders of Ordinary Shares (or all such shareholders other than the offeror and/or any company controlled by the offeror and/or any persons acting in concert with the offeror) to acquire the whole or any part of the Ordinary Shares and the Company becomes aware that the rights to cast more than 50% of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such companies or persons aforesaid, the Company shall give notice to all Convertible Preference Shareholders of such vesting or future vesting within 7 days of its becoming so aware;
- (C) the Company will send to each Convertible Preference Shareholders, by way of information, one copy of every circular, notice or other document sent to any other shareholders in the Company in their capacity as shareholders, at the same time as it is sent to such other shareholders;
- (D) the Company shall procure that there shall be sufficient authorised but unissued share capital available for the purposes of satisfying the requirements of any Conversion Notice as may be given and the terms of any other securities for the time being in issue which are convertible into or have the right to subscribe shares in the Company;
- (E) the Company shall not during the Conversion Period, without the consent of the Convertible Preference Shareholders as a class (obtained in the manner provided in the Articles) or unless otherwise permitted to these provisions:-
 - (i) modify, vary, alter or abrogate the rights attaching to the Ordinary Shares as a class, which (for the avoidance of doubt) shall not be deemed to be so modified, varied, altered or abrogated by the creation or issue of any shares or securities contemplated by the provisions of this Article; or
 - (ii) effect any repayment of the Limited Voting Convertible Preference Shares otherwise than as provided for in the provisions of this Article.

- (F) if the Company shall issue any shares ranking pari passu with the Limited Voting Convertible Preference Shares as regards return of capital which shares carry a right to vote at any general meeting of the Company more favourable than that attaching to the Limited Voting Convertible Preference Shares, then, unless the Convertible Preference Shareholders as a class shall have first approved (in the manner provided in the Articles) such issue, there shall automatically be conferred on the Convertible Preference Shareholders the right to receive notice of, and to attend and vote at, all general meetings of the Company thereafter as set out in Article 8B.10(B) below; and
- (G) except in such manner as may be permitted by the Articles or the Ordinance, the Company shall not reduce its share capital or any uncalled liability in respect thereof or any share premium account or capital redemption reserve.

8B.9 PURCHASE

Subject to the Ordinance, neither the Company nor any of its subsidiaries shall be permitted to purchase any of the Limited Voting Convertible Preference Shares in the open market or by tender or by private treaty.

8B.10 MEETINGS

- (A) Subject as provided in Article 8B.8(F), the Limited Voting Convertible Preference Shares shall not confer on the holders thereof the right to receive notice of, or to attend and vote at, a general meeting of the Company, unless:-
 - (a) a resolution is to be proposed at a general meeting of the Company for winding up the Company or a resolution is to be proposed which if passed would (subject to any consents required for such purpose being obtained) vary or abrogate the rights or privileges of the Convertible Preference Shareholders, in which event the Limited Voting Convertible Preference Shares shall confer on the holder thereof the right to receive notice of, and to attend and vote at, that general meeting, save that such holders may not vote upon any business dealt with at such general meeting except the election of a chairman, any motion for adjournment and the resolution for winding up or the resolution which if passed would (subject to any consents required for such purpose being obtained) so vary or abrogate the rights and privileges of the Convertible Preference Shareholders.
- (B) If Convertible Preference Shareholders are entitled to vote on any resolution then, at the relevant general meeting or separate general meeting of the Convertible Preference Shareholders, on a show of hands every Convertible Preference Shareholder who is present in person or (being a corporation) by a duly authorised representative shall have one vote and on a poll every Convertible Preference Shareholder who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Ordinary Share into which the Limited Voting Convertible Preference Shares held by him would be converted if the Conversion Date for such Limited Voting Convertible Preference Share were the date 48 hours preceding the date of such general meeting or separate general meeting of the Convertible Preference Shareholders.

8B.11 PAYMENTS, ETC.

- (A) Unless any other manner of payment is agreed between the Company and any Convertible Preference Shareholder, any cash distributions and moneys due on conversion or redemption to such Convertible Preference Shareholder shall be made by the Company posting a cheque in Hong Kong dollars (or in the case of payments which are to be made in another currency, such other currency) addressed to that Convertible Preference Shareholder at his registered address as at the relevant Record Date and at his risk. Payment shall be deemed to have been made at the time of posting unless the relevant cheque is not honoured on presentation.
- (B) Subject to sub-provision (A) above, where any property (including Relevant Ordinary Shares and share certificates in respect of them) is to be allotted, transferred or delivered to any Convertible Preference Shareholder the Company may make such arrangements with regard to such allotment, transfer or delivery as it may deem appropriate and in particular, without limitation, may appoint any person on behalf of that Convertible Preference Shareholder to execute any transfers, renunciations of other document and may make arrangements for the delivery of any document or property to that Convertible Preference Shareholder at his risk. All share certificates and other documents of title to which any person is entitled shall be posted to him by the Company addressed to him at his registered address as at the relevant Record Date or, if none, the date of posting and at his risk.
- (C) All payments or distributions with respect to Limited Voting Convertible Preference Shares held jointly by two or more persons shall be paid or made to whichever of such persons is named first in the Register and the making of any payment or distribution in accordance with this sub-provision shall discharge the liability of the Company in respect thereof.

8B.12 FRACTIONS

No fraction of an Ordinary Share arising on conversion will be allotted to the holder of the Relevant Convertible Preference Share(s) otherwise entitled thereto but such fractions will, when practicable, be aggregated and sold and the net proceeds of sale will then be distributed pro rata among such holders unless in respect of any holding of Relevant Convertible Preference Shares the amount to be so distributed would be less than HK\$50, in which case such amount will not be so distributed but will be retained for the benefit of the Company. For the purpose of implementing the provisions of this Article 8B.12, the Company may appoint some person to execute transfers, renunciations or other documents on behalf of persons entitled to any such fraction and generally may make an arrangements which appear to it to be necessary or appropriate for the settlement and disposal of fractional entitlements.

8B.13 TAXATION

All payments of amounts equal to the Redemption Value and nominal amounts in respect of Limited Voting Convertible Preference Shares shall be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Hong Kong or any authority therein or thereof unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law.

8B.14 NOTICES

A notice given pursuant to these provisions shall be irrevocable except, in the case of a Conversion Notice with the consent in writing of the Company. Notices to Convertible Preference Shareholders shall be given in accordance with the Articles.

8B.15 TRANSFERS AND CERTIFICATES

- (A) The provisions of the Articles relating to the transfer of shares and share certificates shall apply in relation to the Limited Voting Convertible Preference Shares, subject to these provisions.
- (B) The Limited Voting Convertible Preference Shares shall be registered on a branch register of members of the Company maintained in Hong Kong.

8B.16 PRESCRIPTION

Any Convertible Preference Shareholder who has failed to claim distributions or other property or rights within 12 years of their having been made available to him will not thereafter be able to claim such distributions or other property or rights which shall be forfeited and revert to the Company. The Company shall retain such distributions or other property or rights but shall not at any time be a trustee in respect of any such distributions or other property or rights nor accountable for any income or other benefits derived therefrom.”

- 9. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by a Court of competent jurisdiction or as by statute required be bound to recognise any equitable or other claims to or interest in such share on the part of any other person.

Share Certificates

- 10. Every person whose name is entered as a member in the Register of members shall be entitled without payment to receive one Certificate for all his shares, or upon payment of such sum not exceeding one dollar for every Certificate after the first as the Directors shall from time to time determine, to several certificates, each for one or more of his shares. The Certificates of title to shares shall be issued under the Seal of the Company. Provided further that where all the issued shares or all the issued shares in any particular class are fully paid and rank *pari passu* for all purposes it shall not be necessary for any such shares to have a distinguishing number.
- 10A. Every share certificate shall specify the number of the shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Director may from time to time prescribe. No certificate shall be issued representing shares of more than one class. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with the requirements of Section 57A of the Ordinance and if different classes of shares carry with them different voting rights, the descriptive title of each class of the shares, other than those with the most favourable voting rights, shall include the word "restricted voting" or "limited voting".
- 11. If a share Certificate be defaced, lost or destroyed, it may be renewed on payment of such fee (if any), not exceeding one dollar, and on such terms (if any) as to evidence

and indemnity as the Directors think fit, and on payment to the Company of any expenses incurred by the Company in investigating the title to the shares or in connection with the proof of such loss or destruction or with such indemnity.

Joint Holders of Shares

12. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the provisions following:
 - (a) The Company shall not be bound to register more than four persons as the holders of any share.
 - (b) The joint holders of any share shall be liable, severally as well as jointly, in respect of all payments which ought to be made in respect of such share.
 - (c) On the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised 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.
 - (e) Only the person whose name stands first in the Register as one of the joint holders of an share shall be entitled to delivery of the Certificate relating to such share 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 proxy to vote on behalf of such joint holders, and as such proxy to attend and vote at General Meetings of the Company.

Calls on Shares

13. 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
14. If by the conditions of allotment of any share the whole or part of the amount thereof shall be payable by instalments every such instalment shall when due be paid to the Company by the holder of the share.
15. The Directors may from time to time make such Calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not stated by the conditions as to allotment thereof made payable at fixed times and each member shall pay the amount of every Call so made on him to the person and at the time and place appointed by the Directors. A Call may be made payable by instalments.
16. If by the terms of the issue of any shares or otherwise any amount is made payable at any fixed time or by instalments at any fixed times such amount or instalment shall be

payable as if it were a Call duly made by the Directors and of which due notice had been given and all provisions hereof with respect to the payment of Calls and interest thereon or to the forfeiture of shares for nonpayment of Calls shall apply to such amount or instalments on the shares in respect of which they are payable.

17. A Call shall be deemed to have been made at the time when the resolution of the Directors authorising such Call was passed.
18. Twenty-one days' notice of any Call shall be given specifying the time and place of payment and to whom such call shall be paid.
19. If the sum payable in respect of any Call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the Call shall have been made or the instalment shall be due, shall pay interest for the same at the rate of 10 per cent per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine but the Directors may, if they think fit, remit the payment of such interest, or any part thereof.
20. At the trial or hearing of any action or other proceeding for the recovery of any money due for 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 Call was made that the resolution making such Call is duly recorded in the minute book and that notice of such was duly given to the member sued according to the provisions of these Presents 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 of a debt due from the member sued to the Company.
21. The Directors may if they think fit receive from any member willing to advance the same and either in money or money's worth all or any part of capital due upon the shares held by him beyond the sum actually called for and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the Calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon.
22. The Company may by Special Resolution, authorise the issue of preference shares which are, or at the option of the Company are, liable to be redeemed. Subject to the provisions of Section 49 of the Ordinance, the redemption of all such redeemable preference shares may be effected on such terms, in such priority and in such manner as the Directors may from time to time determine.

Transfer and Transmission of Shares

23. Subject to such of the restrictions of these Presents as may be applicable, any Member may transfer all or any of his fully-paid shares by an instrument of transfer in the usual common form or in any other form which the Directors may approve. Such transfer may be under hand or if the transfer or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Directors may approve from time to time.

24. The instrument of transfer of a share shall be signed by or on behalf of the transferor and transferee and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
25. The Directors may decline to recognise any instrument of transfer unless such instrument is deposited at the Office or such other place as the Directors may appoint accompanied by the Certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The Board may waive production of any Certificate upon evidence satisfactory to them of its loss or destruction.
26. The Directors may decline to register any transfer of shares not being fully paid shares to a person of whom they do not approve, and may also decline to register any transfer of shares on which the Company has a lien. 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 the transferee notice of the refusal.
27. A fee not exceeding two Dollars (or such higher amount as shall for the time being be approved by The Stock Exchange of Hong Kong Limited) may be charged by the Company for registering any transfer, or other document relating to or affecting the title to any share, or for otherwise making any entry in the Register of Members relating to any share.
28. A fee not exceeding two Dollars may be charged for the registration of any other document which in the opinion of the Directors requires registration and such fee shall if required by the Directors be paid before the registration thereof.
29. The Register of Transfers may be closed for such periods as the Directors may from time to time direct, so that the same be not closed for a longer period in the whole than thirty days in any one year.
30. Any transfer made while the Register is so closed shall, as between the Company and the person claiming under the transfer (but not otherwise), be considered as made immediately after the reopening of the Register.
31. The Registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee.
32. In the case of the death of a shareholder the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his 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.
33. Subject to any other provision of these Presents any person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise than by transfer may, upon producing such evidence of title as the Directors shall require, and subject as hereinafter provided, be registered himself as holder of the share.

34. Subject to any other provision of these Presents, if the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. All the limitations, restrictions and provisions of these Presents relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice of transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice of transfer were a transfer executed by such member.
35. A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall be entitled to receive and may give good discharge for all dividends and other money payable in respect thereof, but shall not be entitled to receive notices 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 until he shall have become a member in respect of the share.

Untraced Shareholders

- 35A. The Company may sell any shares in the Company if:-
- (a) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;
 - (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
 - (c) the Company has caused an advertisement to be inserted in a daily Hong Kong newspaper giving notice of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement and has notified The Stock Exchange of Hong Kong Limited of such intention to sell the shares.

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

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

Forfeiture of Shares

36. If any member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof, the Directors may at any time thereafter during such time as the call or any part thereof remains unpaid serve a notice on him requiring him to pay such call or instalment or such part thereof as remains unpaid together with interest at 10 per cent per annum and any expenses that may have accrued by reason of such non-payment.
37. The notice shall name a further day on or before which such call or such part as aforesaid and all interest and expenses that have accrued by such non-payment are to be paid. It shall also name the place where payment is to be made and shall 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 was made will be liable to be forfeited.
38. If the requisitions of any such notice as aforesaid are not complied with any share in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments interests and expenses due in respect thereof has been made be forfeited by a Resolution of the Directors to that effect.
39. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the member whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Presents expressly saved, or as are by the Ordinance given or imposed in the case of past members.
40. Every share which shall be forfeited shall thereupon be deemed to become the property of the Company and may be either sold or re-allotted or otherwise disposed of either to the person who was before forfeiture the holder thereof or entitled thereto or otherwise disposed of as the Directors shall think fit.
41. Notwithstanding any such forfeiture as aforesaid, the Directors may at any time before the forfeited shares have been otherwise disposed of permit the shares so forfeited to be redeemed upon such terms as they think fit and if the shares shall have been forfeited under the provisions of these Presents upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares and upon such further terms (if any) as they shall see fit.
42. Any person whose shares shall have been forfeited shall cease to be a member in respect of the forfeited shares, but shall be liable notwithstanding to pay, and shall forthwith pay to the Company, all calls, instalments, interest and expenses, owing upon or in respect of such shares at the time of forfeiture, together with interest thereon from the time of forfeiture until payment at the rate of 10% per annum, and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do.

43. When any share has been forfeited in accordance with these Presents notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by transmission as the case may be and an entry of such notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register, but the provisions of this Article are directory only and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
44. Upon any sale after forfeiture in purported exercise of the powers hereinbefore given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved, by the sale shall be in damages only and against the Company exclusively.
45. In the event of a forfeiture of shares, the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited

Lien and Sale

46. The Company shall have a first and paramount lien on every share (not being a fully paid share) registered in the name of a member (whether solely or jointly with others) for all moneys (whether presently payable or not) due by him or his estate, either alone or jointly with any other person, to the Company; but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.
47. The Directors may serve upon any member who is indebted or under obligation engagement or liability (whether liquidated or not) to the Company a notice requiring him to pay the amount due to the Company or satisfy the said obligation engagement or liability and stating that if payment is not made or the said obligation engagement or liability is not satisfied within the time (not being less than fourteen days) specified in such notice the shares held by such member will be liable to be sold and if such member shall not comply with such notice within the time aforesaid the Directors may sell stick shares without further notice in such manner as they think fit.
48. Upon any sale being made by the Directors of any shares to satisfy the lien of the Company thereon the proceeds shall be applied first in the payment of all costs of such sale next in satisfaction of the debt obligation engagement or liability of the member to the Company and the residue (if any) shall be paid to the said member or as he shall direct.
49. An entry in the minute book of the Company that any shares have been sold to satisfy a lien of the Company shall be sufficient evidence as against all persons entitled to such shares that the said share was properly sold and such entry and the receipt of the Company for the price of such share shall constitute a good title to such shares and the name of the purchaser shall be entered in the register as a member of the Company

and he shall be entitled to a certificate of title to the share and thereon he shall be deemed the holder of such share discharged from all calls due prior to such purchase and shall not be bound to see to the application of the purchase money. The remedy of the former holder of such share or of any person claiming under or through him shall be against the Company and in damages only.

Surrender of Shares

50. The Directors may so far as the law permits accept from any shareholder a surrender of his shares or any part thereof as a compromise of any dispute or in lieu of forfeiture on such terms as may be agreed upon between such shareholder and the Company.

Alterations of Capital

51. The Company may from time to time, by Ordinary Resolution, increase its capital by the creation and issue of new shares, such aggregate increase to be of such amount and to be divided into shares of such respective amounts as the Company by the Resolution authorising such increase directs.
52. Subject to any directions to the contrary that may be given by the Resolution under the powers in these Presents contained relating to the issue of new shares any capital raised by the creation of new shares shall be considered as ordinary as part of the original capital and as consisting of Ordinary Shares and shall without exception be subject to the same provisions with reference to the payment of calls transfer transmission forfeiture liens and otherwise as if it had been part of the original capital.
53. The Company may by Special Resolution:-
- (a) Consolidate and subdivide its capital into shares of larger amount than its existing shares.
 - (b) Convert all or any of its paid up shares into Stock and re-convert that stock into paid up shares of any denomination.
 - (c) By subdivision of its existing shares or any of them divide the whole or any part of its capital into shares of smaller amount than is fixed by the Memorandum of Association; provided that in the subdivision of the existing shares the proportion between the amount paid and the amount (if any) unpaid on each share of reduced amount shall be the same as it was in the case of the existing share from which the share of reduced amount is derived.
 - (d) Cancel any shares which at the date of the passing of the Resolution have not been taken or agreed to be taken by any person.
 - (e) Reduce its Capital in any manner allowed by Law.

Modification of Class Rights

54. Whenever the Capital is divided into different classes of shares the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of

three-fourths of the issued shares of that class or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the holders of the Shares of that class. To every such separate General Meeting the provisions of these Presents relating to General Meetings shall mutatis mutandis apply but so that at every such separate General Meeting the quorum shall be a person or persons holding or representing by attorney or proxy one-third of the issued shares of the class.

General Meetings

55. A general meeting shall be held once in every year at such time (not being more than 15 months after the holding of the last preceding General Meeting) and place as the Directors may from time to time determine. General Meetings held under this Article shall be called Annual General Meetings. General Meetings other than Annual General Meetings shall be called Extraordinary Meetings.
56. The Directors may call an Extraordinary Meeting whenever they think fit, and shall, on requisition in accordance with the Ordinance proceed to convene an Extraordinary General Meeting as required by the Ordinance.
57.
 - (a) An annual general meeting and a meeting called for the passing of a special resolution shall be called by not less than twenty-one days' notice in writing and a meeting other than an annual general meeting or a meeting called for the passing of a special resolution shall be called by not less than fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, day 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. Notice of every general meeting shall be given in manner hereinafter mentioned to all Members other than such as, under the provisions of these Presents or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the Auditors for the time being of the Company.
 - (b) Notwithstanding that a meeting of the Company is called by shorter notice than that specified in this Article, it shall be deemed to have been duly called if it is so agreed:
 - (i) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
 - (ii) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right.
58. The accidental omission to give any such notice to any of the members shall not invalidate any Resolution passed at any such meeting and it shall be competent for any member at any time to waive notice of any meeting.

Proceedings at General Meetings

59. The business of an Annual General Meeting, shall be to receive and consider the accounts and balance sheet and the reports of the Directors and Auditors, to elect Directors and Auditors in place of those retiring and fix their remuneration and to sanction a dividend, and to transact any other business which under these Presents ought to be transacted at an Annual General Meeting. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary Meeting shall be deemed special.
60. No business shall be transacted at any General Meeting, unless a quorum of members is present at the time when the Meeting proceeds to business; and such quorum shall consist of not less than three members present in person or by attorney or proxy.
61. If within half an hour from the time appointed for the Meeting a quorum be not present the Meeting if convened upon the requisition of members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned Meeting a quorum be not present those members who are present shall be deemed to be a quorum and may do all business which a full quorum might have done.
62. The Chairman (if any) of the Directors shall preside at every General Meeting but if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same or shall be unwilling to act as Chairman the members present shall choose a Director or if no Director be present or if all the Directors present decline to take the Chair they shall choose some member present to be Chairman of the meeting.
63. The Chairman may with the consent of the Meeting at which a quorum is present, and shall if so directed by the Meeting, adjourn any Meeting from time to time and from place to place but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for twenty-one days or more 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 adjournment or of the business to be transacted at an adjourned Meeting.
64. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded :-
 - (a) by the Chairman (being a person entitled to vote); or
 - (b) by at least three members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
 - (c) by a member or members present in person or in case of a member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or

- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that rights; or
- (e) if required by the rules of The Stock Exchange of Hong Kong Limited, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member.

- 64A. Unless a poll is duly demanded and demand is not withdrawn, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolutions.
- 64B. If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of The Stock Exchange of Hong Kong Limited.
- 65. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman of the meeting be of sufficient magnitude to vitiate the resolution.
- 66. If a poll is duly demanded, it shall be taken in such manner as the Chairman may direct (including the use of ballot or voting papers or tickets), and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may in the event of a poll appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. The demand for a poll may with the consent of the Chairman of the meeting be withdrawn.
- 67. In the case of an equality of votes whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands take place or at which the poll is demanded shall be entitled to a second or casting vote.
- 68. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman directs not being more than fourteen days from the date of the meeting.

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

Votes of Members

70. Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Presents, on a show of hands every Member who is present in person shall have one vote (but no person other than the Chairman shall on a show of hands have more than one vote) and for this purpose a person (not being himself a Member) who is present as representative of a corporation or corporations shall be treated as if he were a Member present in person. On a poll every Member who is present in person or by proxy shall have one vote in respect of each share in the capital of the Company of which he is the holder.
- 70A. Where any Member is, under the Listing Rules, required to abstain from voting on a particular resolution or restrict to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
71. Any person entitled under the Transmission Article to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours at least before the time of holding the meeting at which he to vote he shall satisfy the Directors of his right to transfer such shares and the Directors shall previously to such meeting consent to allow him to vote thereat in respect of such shares. Any member who shall have become bankrupt shall not while his bankruptcy continues be entitled to exercise the rights of a member or attend vote or act at any meeting of the Company.
72. 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 such Court, and such committee, curator bonis or other person may on a poll vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the office of the Company not less than three days before the time for holding the meeting.
73. If two or more persons are jointly entitled to a share then in voting on any question the votes of a senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of other registered holders of the share and for this purpose seniority shall be determined by the order in which the names stand in the Register.
74. No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.
75. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation either under the common seal or under the hand of an officer or attorney so authorised. A proxy need not be a Member of the Company.

- 75A. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Director may from time to time approve provided that in any event, such form shall include a provision whereby the Member may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question.
76. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.
77. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
78. A proxy may be appointed generally or for a specified period or for a specified meeting. The instrument of proxy whether for a specified meeting or otherwise shall as far as the circumstances will admit be in the form or to the effect following:-

GOLDBOND GROUP HOLDINGS LIMITED 金榜集團控股有限公司

I, [*] of [*] being a Member of the abovenamed Company, hereby appoint [*] of [*] or failing him [*] of [*] as my proxy, to vote for me and on my behalf at the Meeting of the said Company, to be held on [*] the [*] day of [*] and at any adjournment thereof.

Signed this [*] day of [*] 19[*]

Signature.....

Signed by the said [*]
in the presence of

79. A vote given in accordance with the terms of a power of attorney or an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the power of attorney or proxy or transfer of the share in respect of which the vote is given provided that no intimation in writing of the death revocation or transfer shall have been received at the Office before the Meeting.
80. No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or be reckoned in a quorum whilst any call or any other sum shall be overdue and unpaid to the Company in respect of any of the shares of such member.
- 80A. Where a member of the Company is a recognised clearing house or its nominee, it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting of the Company or any meeting of any class of

members of the Company provided that, if more than one person is so authorised, the authorisation or proxy form shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) would be entitled to exercise as if such person were an individual member of the Company including the right to vote individually on a show of hands.

Directors

81. The number of Directors shall not be less than four and there shall be no maximum number.
82. A Directors need not hold any qualification share.

Alternate Directors

83. Any Director may at any time and from time to time appoint any person to be his Alternate Director and may at any time remove from office the Alternate Director so appointed by him and appoint another in his place. An Alternate Director shall not be entitled to receive any remuneration from the Company but shall otherwise be subject to the provisions of these Articles with regard to Directors. An Alternate Director shall subject to his giving to the Company an address within the Colony of Hong Kong at which notice may be served upon him be entitled to receive notices of all meetings of the Directors and to attend and vote as a Director at any meeting at which the Director by whom he was appointed is not personally present and generally in the absence of such appointor to perform all the functions of his appointor as Director. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor ceases for any reason to be a Director. All appointments and removals of Alternate Directors shall be effected by notice in writing sent to or left with the Company signed by the Director making or revoking such appointment.
84. In the event of any Director for the time being absent from Hong Kong and having no duly appointed alternate as provided for in Article 83 in the Colony capable of acting, it shall be competent for such of them the Director or Directors for the time being in Hong Kong, whether the number of such Director or Directors shall constitute a quorum or not and without reference to or the approval of the first abovementioned absent Director or any of the other Directors out of the Colony, to nominate any person to be Alternate Director for such first abovementioned absent Director and such nomination shall have effect as if it were an appointment of an alternate pursuant to Article 83 and such alternate shall vacate office in identical manner to an alternate appointed pursuant to Article 83.

Director's Remuneration

85. (a) The Directors shall receive such remuneration for their services for each year as the Members shall from time to time in General Meeting determine and the Members in General Meeting may decide in what shares or proportions such remuneration shall be divided or allotted and such remuneration may be either by a fixed sum or a percentage of profits or otherwise as may be determined by the Members in General Meeting. In the event of a Director retiring or for any other cause vacating his office before the end of any year his remuneration shall be deemed to have accrued up to the date when his office as a Director shall have been vacated. If any of the Directors shall be called upon to perform extra services the Members in General Meeting may remunerate the Director or Directors so doing either by a fixed sum or a percentage of profits or otherwise as may be determined by them and such remuneration may be either in addition to or in substitution for the share of such Director or Directors in the remuneration provided for the Directors. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors.
- (b) Notwithstanding the foregoing, the remuneration of a Managing Director or other Executive or Working Director shall from time to time be fixed by the Directors and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

Powers of Directors

86. The management of the business and the control of the Company shall be vested in the Directors who may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by Ordinance expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to such regulations (not being inconsistent with the provisions of the Ordinance or with these Articles) as may from time to time be made by Extraordinary Resolution but no regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.
87. The Directors shall have power 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. Any Director so appointed shall hold office only until the next following Annual General Meeting of the Company, but shall be eligible for re-election at such meeting.
88. The continuing Directors may act notwithstanding any vacancies in their Body, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of filling the vacancies in the Board or of summoning General Meetings of the Company but not for any other purpose.
89. The Directors may from time to time appoint one or more of their body to the office of Executive or Working Director on such terms and conditions as they may think fit. A Director so appointed shall be taken into account in determining the rotation of retirement of Directors, and his appointment shall be subject to determination ipso

facto if he cease from any cause to be a Director, or if the Company in General Meeting resolve that his tenure of the office of Executive or Working Director be determined.

90. A Director may hold any other office under the Company in conjunction with his office of Director except the office of Auditor and a Director may be or become a Director of any company promoted by this Company or in which it may be interested as a vendor shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or otherwise from any such company.
91. The Directors may arrange that any branch of the business carried on by the Company or any other business in which the Company may be interested shall be carried on by or through one or more subsidiary company, and they may on behalf of the Company make such arrangements as they think advisable for taking the profits or bearing the losses of any branch or business so carried on or for financing assisting or; subsidising any such subsidiary company or guaranteeing its contracts, obligations or liabilities, and they may appoint, remove and reappoint any persons (whether members of their own body or not) to act as Directors, Managing Directors or Managers of any such company or any other company in which the Company may be interested, and may determine the remuneration (whether by way of salary, commission on profits or otherwise) of any person so appointed and any Directors of the Company may retain any remuneration so payable to them.
92. 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 person to be members of such Local Boards, or any Managers or Agents, and may fix their remuneration, and may delegate to any Local Board, Manager or Agent any of the powers, authorities and discretions vested in the Directors with power to sub-delegate, and may authorise the members of any Local Board, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made up in 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.
93. The Directors may from time to time and at any time by power of attorney under the seal appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretion (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 may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretion vested in him.
94. The Company, or the Directors on behalf of the Company, may cause to be kept in any place outside Hong Kong in which the Company transacts business, a branch register or registers of members, and the Directors may (subject to the provisions of the Ordinance) make and vary such regulations as they may think fit respecting the keeping of any such register.

95. With the exception of cheques which are provided for by Article 128, all 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.

Borrowing Powers

96. The Directors may from time to time borrow raise or secure from bankers or others for the purposes of the Company by way of bills overdraft cash credit or other usual means of obtaining trading accommodation such sum or sums of money as they in their discretion shall consider necessary or desirable for the proper and convenient administration of the Company's finances.
97. In addition to the moneys so borrowed raised or secured under the preceding Article the Directors may from time to time at their discretion raise or borrow money for the purposes of the Company and may secure the payment of the same by mortgage or charge upon the whole or any part of the assets and property of the Company (present or future) including its uncalled or unissued capital and may issue bonds debentures or debenture stock. either charged upon the whole or any part of the assets and property of the Company or not so charged.
98. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any or special privileges as to redemption, surrender, drawings, allotment of shares; attending and voting at General Meetings of the Company, appointment of Directors and otherwise.
99. The Directors shall cause a proper Register to be kept, in accordance with 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.
100. The Register of Mortgages shall be open to inspection by any creditor or Member of the Company without payment and by any other person on payment of the sum of one dollar for each inspection.
101. A Register of the holders of the debentures of the Company shall be kept at the Registered Office of the Company and shall be open to the inspection of the registered holder of any debentures and of any Member of the Company at any time between the hours of two and four in the afternoon. The Directors may close the said Register for such period or periods as they may think fit not exceeding in the aggregate thirty days in each year.

Managing Directors, Managers

102. The Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors of the business of the Company for such period and upon such terms and conditions as they think fit, and may from time to time subject to contractual obligations remove him or them from office and appoint another or others in his or their place or places. The Directors may enter into an

agreement or agreements with any person firm or company appointing such person firm or company as manager or agent responsible for the management of the whole or such part of the activities of the Company and upon such terms and conditions as the Directors shall deem fit.

103. A Managing Director shall, while he continues to hold the office, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

Powers of Managing Directors

104. The Managing Director or Directors shall have the management of the ordinary business of the Company and may do and execute all such contracts acts deeds matters and things as may be considered-by him or them requisite or expedient in connection therewith but subject to any directions that may from time to time be given by the Directors provided that no directions shall invalidate any prior act of the Managing Director or Directors which would have been valid if such directions had not been given.
105. The Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these Presents by the Directors as they think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon terms and conditions and with restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and substitution for all or any of the powers of the Directors in that behalf and from time to time may revoke withdraw alter or vary all or any of such powers.

Proceedings of Directors

106. The Company is to keep at its Registered Office a Register containing the names and addresses and occupations of its Directors and is to send to the Registrar of Companies a copy of such Register and shall from time to time notify the Registrar of any change that takes place in such Directors as required by the Ordinance.
107. (a) The Directors may meet together for the dispatch 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, two Directors or Alternate Directors shall constitute a quorum.
- (b) Directors may participate in any meeting of the Board by means of a conference telephone or other communication equipment through which all persons participating in the meeting can communicate with each other and such participation shall constitute presence at a meeting as if those participating were present in person provided that a memorandum of the meeting and the resolutions passed thereat is signed by each of the participating Directors in manner set out in Article 115 and deposited with the Secretary within two (2) weeks of the date of the meeting.

108. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the President or Chairman, as the case may be, or any Director. Any Director may waive notice of any meeting either prospectively or retrospectively.
109. Question arising at any meeting shall be decided by a majority of votes and every Director or alternate present shall have one vote and in case of an equality of votes the Chairman shall have a second or casting vote.
110. The Directors may elect a Chairman and Deputy Chairman of their Meetings, and determine the period for which such officers shall respectively hold office. In the absence of the Chairman (if any) the Deputy Chairman (if any) shall preside. If such officers have not been appointed or if neither be present at the time appointed for a meeting the Directors present shall choose someone of their number to be Chairman at such meeting.
111. A meeting of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions, by or under these articles or the regulations of the Company for the time being vested in or exercisable by the Directors generally.
112. The Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit. Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors.
113. The meetings and proceedings of any such Committee consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superceded by the express terms of the appointment of the Committee, or by any such regulations aforesaid.
114. All acts bona fide done by any meeting of the Directors, or by a Committee of Directors, or by any person acting as Director shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
115. A resolution signed by not less than one half of the number of Directors except such as are absent from the territory of Hong Kong or temporarily unable to act through ill health or disability (or their alternate Directors) shall (so long as such a resolution shall be signed by at least two Directors or their alternates entitled to vote thereon or such other number of Directors as shall constitute a quorum under these Presents and provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors (or their alternates) for the time being entitled to receive notices of meetings of the Directors in the same manner as notices of meetings are required to be given pursuant to these Presents) be as valid and effectual as if it had been passed at meeting of the Directors duly convened and held. Any such resolutions in writing may consist of one document or several documents in like form each signed by one or more Directors or alternate Directors. A resolution purporting to have been transmitted by a Director (or his alternate) to the Company by telegram, telex, telecopier, other facsimile equipment or electronic device shall be deemed to be a document signed by him for the purpose of this Article.

116. The Directors and any Committee of Directors shall cause minutes to be duly entered in books provided for the purpose:-
- (a) Of all appointments of officers;
 - (b) Of the names of Directors present at each meeting of the Directors and of any Committee of Directors;
 - (c) Of all resolutions and proceedings of general meetings and of meetings of the Directors and Committees.

And any such minutes of any meeting of the Directors or any Committee of Directors, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

Rotation of Directors

117. At every Annual General Meeting one-third of the Directors for the time being, or if their number is not a multiple of three then the nearest number to but not less than one-third of the Directors shall retire from office. A retiring Director shall be eligible for re-election.
118. The Director to retire under Article 117 shall be the Director who has been longest in office. As between two or more Directors who have been in office an equal length of time the Director to retire shall in default of agreement between them be determined by lot. The length of time a Director has been in office shall be computed from his last election or appointment where he has previously vacated office.
119. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any General Meeting unless there shall have been left at the registered office of the Company notice in writing signed by a member duly qualified to attend and vote at the meeting for which notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected provided that the minimum length of the period, during which such notice is given, shall be at least seven (7) days before the date of the General Meeting and that the period for lodgment of such notice shall commence no earlier than the day after the dispatch of the notice of the General Meeting appointed for such election and end no later than seven (7) days prior to the date of such General Meeting..
120. The Company in General Meeting may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.

Disqualification of Directors

121. The office of Director shall be vacated:-

- (a) If he resigns his office by notice in writing to the Company.
- (b) If he shall have absented himself (such absence not being absence with leave or on the affairs of the Company) from meetings of the Directors for three months in succession and the Director shall have resolved that his office shall be vacated.
- (c) If he becomes a lunatic or of unsound mind or all the other Directors shall unanimously resolve that he is physically or mentally incapable of performing the function of Director.
- (d) If he becomes a bankrupt suspends payment or compounds with his creditors.
- (e) If he becomes prohibited from being a Director by reason of any order made under Part IVA of the Ordinance.
- (f) If he is requested in writing by all his Co-Directors to resign.

Provided always that until an entry of his office having been so vacated be made in the Minutes of the Directors his acts as a Director shall be as effective as if his office were not vacated.

122. The Company may by Ordinary Resolution remove any Director and may by Ordinary Resolution appoint another in his stead; but any person so appointed shall hold office only as long as the Director in whose place he is appointed would have held the same if he had not been removed.

123. (a) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following namely:

- (i) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to the Director or his associate(s) in respect of money lent by his or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any contract or arrangement for the giving by the Company or any of its subsidiaries of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any contract or arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or

- purchase, where the Director or his associate(s) is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
 - (v) any contract, arrangement or proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or
 - (vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.
- (b) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent or more if and so long as (but only if and so long as) he and/or his associates (either directly or indirectly) is/are the holder(s) of or beneficially interested in five (5) per cent or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any share held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any share comprised in an authorized unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.
 - (c) Where a company in which a Director and/or his associate(s) holds five (5) per cent or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.
 - (d) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been

fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

- (e) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relation thereby established.

- 124. A general notice to the Directors by a Director that he is to be regarded as interested in any contract or arrangement which may be made with any specified person, firm or corporation after the date of such notice shall be a sufficient declaration of interest under this and Article 123 in relation to any contract or arrangement so made provided that no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.

Secretary

- 125. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and, subject to any contractual obligations, any Secretary so appointed may be removed by them. In the event that the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its Directors or Officers duly authorised.
- 126. Anything required or authorised to be done by or to the Secretary, may if the office is vacant or there is for any other reason no Secretary capable of acting, be done by or to any Assistant or Deputy Secretary or, if there is no Assistant or Deputy Secretary capable of acting, by or to any Officer of the Company authorised generally or specially in that behalf by the Directors.
- 127. Any provision of the Ordinance or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

Cheques

- 128. All cheques shall be made, signed, drawn, accepted and endorsed, or otherwise executed by the person or persons from time to time authorised by a resolution of the Directors. Every such signature shall be autographic unless there shall be in force for the time being a resolution of the Directors adopting some method or system of

mechanical signature which is controlled by the Auditors of the Company in which event any such signature may be effected in accordance with such resolution by the method or system so adopted.

Seal

129. (a) The Directors shall provide for the safe custody of the Common Seal of the Company. The seal shall not be affixed to any instrument except by the authority of a Resolution of the Board of Directors, and except as hereinafter provided, in the presence of one Director and the Secretary or some other person whether or not a Director authorised or appointed by the Board and such Director and the Secretary or other person shall sign every instrument to which the seal of the Company is so affixed in their presence. Every certificate of shares, stock, debentures or debenture stock of the Company shall be issued under seal provided that, with the authority of a Resolution of the Board of Directors such certificates of shares, stock, debentures or debenture stock may be issued under the seal but without such signatures or with such signatures affixed by means of some method or system of mechanical signature.
- (b) The Company may exercise the powers conferred by the Ordinance with regard to having an Official Seal for use abroad, and such powers shall be vested in the Directors.

Accounts

130. The Directors shall cause true accounts to be kept of all sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure takes place, and of the assets and liabilities of the Company.
131. The books of account shall be kept at the Registered Office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
132. No member (other than a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by Ordinary Resolution of the Company.
133. A copy of either (i) every balance sheet and profit and loss account, 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 Auditors' report or (ii) the summary of the financial report, shall be sent to each person entitled thereto in accordance with the requirements of the Companies Ordinance, and copies shall also be sent in appropriate numbers to The Stock Exchange of Hong Kong Limited in accordance with the terms of any listing agreement for the time being binding on the Company or with the continuing obligations binding on the Company or with the continuing obligations binding on the Company by virtue of any listing.

Audit

134. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or

more Auditors. The appointment and duties of such Auditor or Auditors shall be in accordance with the provisions of the Ordinance or any other statute which may be in force in regulation to such matters.

135. If any casual vacancy occurs in the office of Auditors, the Directors may fill up the same, but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act.
136. Every account of the Directors when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected, and thenceforth shall be conclusive.

Dividends

137. The profits of the Company available for dividend and resolved to be distributed shall be applied in the payment of dividends to the members in accordance with their respective rights and priorities. The Company in General Meeting may declare dividends accordingly.
138. No dividend shall be payable except out of the profits of the Company or in excess of the amount recommended by the Directors.
139. Sums representing appreciations over cost price or written down book values realised on the sale or disposal by the Company of any of its capital assets, fully paid bonus shares received by the Company in respect of shares in other companies held by it, and any other accretions to capital assets of the Company may be distributed by the Directors, either in cash or (as regards shares in other companies or other assets capable of being distributed in specie) in specie, amongst the Ordinary Shareholders by way of special capital bonus or accretion to the capital of the Ordinary Shares in the Company held by them, and in proportion to the amounts paid up on those shares. Provided that no such distribution shall be made unless:-
 - (a) It shall have been sanctioned by resolution of the Company in General Meeting;
 - (b) The fixed dividends payable on all Preference Shares and Stock of the Company have been paid in full to the end of the last completed financial year of the Company; and
 - (c) The Directors are satisfied that the assets of the Company, exclusive of the sum or assets proposed to be distributed, are of a value at least equal to the aggregate amount of the Company's debts and liabilities and its paid-up share capital.
140. All dividends shall be declared and paid according to the amount paid on the shares in respect whereof the dividend is paid, but (for the purpose of this Article only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amounts paid on the shares during any portions of the period in respect of which the dividend is paid,

but if any share is issued on terms provided that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

141. Notwithstanding anything in these Presents, the Directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.
142. The Directors may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
143. The Directors may retain any dividends and bonuses payable on shares on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
144. No unpaid dividend, bonus or interests shall bear interest as against the Company.
145. Any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, and in case of joint holders to any one of such joint holders or to such person and such address as the member or joint holders may direct. Every such cheque shall be made payable to the order of the person to whom it is sent or to such person as the member or joint holders may direct, and payment of the cheque if purporting to be endorsed shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
146. If several persons are registered as joint holders of any share, any one of them may give effectual receipts for any dividend or other moneys payable on or in respect of the share.
147. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
148. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.
149. Dividends payable, which are not claimed within six years from the date of declaration, shall be forfeited.

Reserve Fund

150. The Directors may before recommending any dividends whether preferential or otherwise carry to reserve out of the profits of the Company such sums as they think proper, and may also carry to reserve any premiums received upon the issue of shares, securities or obligations of the Company. All sums standing to reserve may be applied from time to time in the discretion of the Directors for meeting depreciation or contingencies or for special dividends or bonuses or for equalising dividends, or for repairing, improving or maintaining any of the property of the Company or for such other purposes as the Directors may think conducive to the objects of the Company or any of them, and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investment as the

Directors think fit. The Directors may divide the reserve into such special funds as they think fit, and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit. The Directors may also without placing the same to reserve carry over any profits which they may think it not prudent to divide. The reserve or any other profits carried forward or any part thereof may be capitalised in any manner authorised by the Ordinance or by these Articles.

151. Subject to all necessary sanctions and consents (if any) being obtained, the Company in General Meeting may, upon the recommendation of the Directors, resolve that it is desirable to capitalise any undivided profits of the Company not required for paying the fixed dividends on any preference shares (including profits carried and standing to the credit of any reserve or reserves or other special account), and accordingly that the Directors be authorised and directed to appropriate the profits resolved to be capitalised to the members who would have been entitled to receive the same had such sums been distributed in cash in accordance with their rights, and to apply such profits on their behalf, either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by such members respectively, or in paying up in full unissued shares, debentures or securities of the Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other. Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this clause, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
152. Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures or securities if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit in the case of shares, debentures or securities becoming distributable in fractions, and also where necessary to deliver a property contract for registration as required by the Ordinance, to authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such members.

Notices

153. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it

Amended on
28 September
2007

through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the SEHK or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the SEHK, and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

154. Any Notice or other document:

Amended on
28 September
2007

- (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the board of Directors that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the SEHK, is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;
- (c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and
- (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.

- 155.(1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.
- (2) A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- (3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

Amended on
28 September
2007

156. (deleted).

Amended on
28 September
2007

157. (deleted).

Amended on
28 September
2007

158. (deleted).

Amended on
28 September
2007

159. (deleted).

Amended on
28 September
2007

160. (deleted).

Amended on
28 September
2007

161. (deleted).

Amended on
28 September
2007

Indemnity

162. The Managing Directors, Directors, Auditors, Secretary and other Officers for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by them or any of them as the holder of any such office or appointment in defending any proceedings, whether civil or criminal, in which judgment is given in their favour or in which they are acquitted or in connection with any application under Section 358 of the Ordinance in which relief is granted by the Court.

Winding Up

163. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up Capital, such assets shall be distributed so that as near as may be the loss shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up the excess shall be distributed among the members in proportion to the Capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by there respectively. But this Article is to be without prejudice to the rights of the holders of any share issued upon special terms and conditions.

164. If the Company shall be wound up the Liquidator may, with the sanction of an Extraordinary Resolution of the Company and any other sanction required by the Ordinance, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit.of the members or any of them as the Liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Names, Addresses and Descriptions of Subscribers

P.A.L. VINE
103, Tregunter Mansion,
Old Peak Road,
Hong Kong,
Solicitor.

RAYMOND E. MOORE
Flat 7, Aigburth Hall,
May Road,
Hong Kong,
Solicitor.

Total Number of Shares Taken

Dated the 10th day of March, 1964.

WITNESS to the above signatures:

SIMON MAYO

Solicitor,

HONG KONG.