

THE COMPANIES ORDINANCE (CHAPTER 32)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

(Including all amendments up to 5th December 2008)

OF

CHINA MOBILE HONG KONG COMPANY LIMITED

中國移動香港有限公司

1. The name of the Company is China Mobile Hong Kong Company Limited 中國移動香港有限公司 (the "Company").
2. The registered office of the Company is to be situated in Hong Kong.
3. The objects of the Company are:
 - (a) To buy, sell, and engage in manufacturing, constructing and laying down telephone lines, instruments, machinery, wire and other materials and things used with or appertaining to telephones;
 - (b) To carry on business as manufacturers and producers of and dealers in every kind of electronic, electrical, recording, transmitting, scientific and other similar apparatus and equipment and parts and components therefor;
 - (c) To manufacture, fabricate, assemble, purchase or otherwise acquire, own, hold, operate, install, experiment with, improve, develop, invent, repair and maintain apparatus of every kind and description, including, without limitation of the generality of the foregoing, magnetic, electronic, electrical and mechanical devices, apparatus, appliances and machines and part thereof for the reproduction, amplification, reception and transmission of sounds, visions, signals, communications and other related matters and things;
 - (d) To sell as agent, factor, broker, at wholesale or retail or otherwise, to import, export, lease, license the use of, distribute or otherwise deal in and with the foregoing and any and all other matters applicable or incident to or used in the manufacture, sale, installation and maintenance of any of the foregoing;
 - (e) To carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously or conveniently carried on by the Company by way of

extension, of or in connection with any such business as aforesaid, or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of or turn to account any of the Company's assets, property or rights;

- (f) To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry scientific and technical research, experiments, and tests of all kinds and to promote, scientific and technical studies, research, investigation and invention by providing, subsidising, endowing or assisting laboratories workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibition, scholarship, prizes and grants to students or others, and generally to encourage, promote and reward study, research, investigation, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on;
- (g) To carry on all or any of the businesses of, and to carry out any of the operations performed (whether on the Company's account or otherwise) by, traders, merchants, agents, importers, exporters, shippers, advertisers, distributors, owners, hirers, operators, repairers, letters on hire, manufacturers and dealers, of and in goods, chemicals, explosives, wares, products, stores, commodities, consumable articles, merchandise, chattels, effects and other assets of all kinds (whether or not similar to any of the preceding items); to carry on all or any of the businesses of providing services of all kinds, and acting as consultants, advisers, specialists, financiers and capitalists; and to participate in, undertake, perform and carry out all kinds of commercial, industrial, trading and financial operations and enterprises;
- (h) To carry on the business of an investment and property holding company in all its branches, and for that purpose in particular to acquire by purchase, subscription, exchange or otherwise and hold by way of investment, shares, stocks, securities or obligations issued or guaranteed by any person; and to acquire by purchase, lease, exchange or otherwise and hold by way of investment, land, buildings or other structures on land, land covered by water, and any estate, interest, easement, servitude or right in or over such land, buildings or structures and any real or immovable property of any tenure or description in Hong Kong or elsewhere in any part of the world, including (without limiting the general nature of this provision) freehold or leasehold ground rents, reversions, mortgages and charges;
- (i) To manage any such investments and property so acquired and to collect and receive the income and rents from such investments and property;
- (j) To promote companies and ventures for any purpose whatsoever and to undertake and assist in financial operations of every description;
- (k) To enter into any joint venture, partnership or joint-purse arrangement or arrangement for sharing profits, union of interests or co-operation or other association of any nature with any person and to subsidise or otherwise assist any person;
- (l) To invest and deal with the moneys of the Company in or upon investments or securities of any nature (whether as principal or agent) and generally to acquire, hold, deal in and otherwise dispose of investments and other securities;

- (m) To carry on any other business or activity, whether trading, manufacturing, investing or otherwise;
- (n) To purchase, take on lease or in exchange, hire or otherwise acquire, hold, deal in, sell and otherwise dispose of all or any estate or interest in or over any lands, buildings, easements, rights, privileges, concessions, patents, patent rights, licences, secret processes, machinery, plant, stock-in-trade and any real or personal property (whether tangible or intangible) of any kind;
- (o) To improve any property by constructing, reconstructing, pulling down, altering, adding to, enlarging, decorating, furnishing, fitting up and maintaining the property whether as offices, flats, houses, shops, factories, garages, warehouses, wharves or other buildings, works and conveniences of any kind and whether by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others or otherwise; and to provide services and amenities of all kinds;
- (p) To create freehold and leasehold ground rents and to grant leases, underleases, tenancies and licences;
- (q) To sell, assign, realise, vary, surrender, exchange or dispose of any property or investments of the Company if from time to time it shall be found necessary or advisable so to do;
- (r) To carry on all kinds of financial, trust, agency and broking business and any other business which is capable of being carried on by an individual;
- (s) To advance, issue, deposit or lend money, securities and property of any kind, and to draw, make, issue, accept, discount, buy, sell, hold and exchange, bills, notes, warrants, coupons and other negotiable or transferable instruments, documents and obligations;
- (t) To receive money on deposit or loan and to borrow or raise money or to open and draw under credit lines and to secure or discharge any debt or obligation of or binding on the Company by the issue of debentures or debenture stock or in any other manner;
- (u) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities;
- (v) To enter into any guarantee, bond, contract of indemnity, suretyship or joint obligation and otherwise give security or become responsible for the performance of any obligations or the discharge of any liabilities by any person, whether such person is connected (by way of shareholding, as an associated company, by trading relationship or otherwise) or is entirely unconnected with the Company whether with or without the Company receiving any consideration or advantage and whether or not in connection with or in furtherance of the attainment of any other object of the Company and in particular (without affecting the general nature of this provision) to guarantee, support or secure, by personal covenant or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company, or by both such methods, or in any other manner whatsoever, the payment or repayment of any moneys secured by, or payable under or in respect of, any debts, obligations or securities whatsoever and the discharge of any liabilities whatsoever;

- (w) To establish and maintain or procure the establishment and maintenance of any share option or share incentive or profit sharing schemes or trusts or any non-contributory or contributory pension or superannuation schemes or funds for the benefit of, and to make or give or procure the making or giving of loans, donations, gratuities, pensions, allowances or emoluments (whether in money or money's-worth) to, or to trustees on behalf of, any persons who are or were at any time in the employment of the Company, or of any corporation which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who are or were at any time directors or officers of the Company or of any such other Company as aforesaid, or any persons in whose welfare the Company or any such other corporation is or has been at any time interested, and the wives, husbands, widows, widowers, families and dependants of any such persons, and to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other corporation, or of any such persons, and to make payments for or towards policies of assurance on the lives of any such persons and policies of insurance for the benefit of or in respect of any such persons (including insurance against their negligence or breach of duty to the Company or to the corporation to the extent permitted by law) and to pay, subscribe or guarantee money to or for any charitable or benevolent objects or for any exhibition or for any political, public, general or useful object, and to do any of these things, either alone or in conjunction with any such other corporation;
- (x) To establish or promote or concur in establishing or promoting any other corporation and to guarantee the payment of the dividends, interest or capital of any shares, stock or other securities issued by or any other obligations of any such corporation;
- (y) To purchase or otherwise acquire and undertake all or any part of the business, property, assets, liabilities and transactions of any person;
- (z) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant licences, easements and other rights in or over and in any other manner deal with or dispose of the undertaking and all or any of the property and assets for the time being of the Company including without limitation, any such dealing or disposal on terms that are wholly or partly gratuitous or of a non-commercial nature;
- (aa) To distribute among the members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law;
- (bb) To make known the businesses or any of them or the products or any of them of the Company or the businesses or products of any other person, in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication in books and periodicals, and by granting prizes, rewards and donations, and by carrying on and conducting prize and competition schemes or any scheme or arrangement of any kind, either alone or in conjunction with any other person, which the businesses or any of them may be promoted or developed, or which the products may be advertised and made known;
- (cc) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise, of any country, and to obtain from any such government or authority all legislation, orders, rights, concessions and privileges that may seem requisite;

- (dd) To borrow or raise or secure the payment of money for the purposes of or in connection with any of the Company's business or businesses;
- (ee) To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and all or any of the uncalled capital for the time being of the company, and to issue in cash at par or at a premium or discount, or for any other consideration, debentures, mortgage debentures or debenture stock or other similar securities, payable to bearer or otherwise, and either permanent or redeemable or repayable, and collaterally or further to secure any securities of the Company by a trust deed or other assurance;
- (ff) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange and other negotiable instruments;
- (gg) To pay or otherwise give consideration for any property or rights acquired by the Company in any manner whatsoever and in particular but without limitation in cash or fully or partly paid-up shares, with or without preferred or deferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another;
- (hh) To accept payment or other consideration for any property or rights sold or otherwise disposed of or dealt with by the Company in any manner whatsoever and in particular but without limitation in cash, whether by instalments or otherwise, or in fully or partly paid-up shares of any corporation, with or without deferred or preferred or guaranteed rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired;
- (ii) To amalgamate with any other corporation, whether by sale or purchase (for fully or partly paid-up shares or otherwise) of the undertaking, subject to the liabilities of this or any other such corporation, with or without winding-up or by sale or purchase (for fully or partly paid-up shares or otherwise) of all or a controlling interest in the shares or stock of this or any other such corporation, or by partnership, or any arrangement of the nature of partnership, or in any other manner;
- (jj) To pay out of the funds of the Company all expenses which the Company may lawfully pay in respect of or incidental to the formation, registration and advertising of or raising money for the Company and the issue of its capital, including brokerage and commissions for obtaining applications for or taking, placing or underrating shares, debentures or debenture stock, and to apply at the cost of the Company to the appropriate authorities (governmental or otherwise) for any extension of the Company's objects and powers;
- (kk) To do all or any of the above things in any part of the world, and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise; and
- (ll) To do all such other things as are in the opinion of the Company incidental or conducive to the above objects or any of them.

The objects specified in each of the paragraphs of this Clause shall not, except where the context expressly so requires, be in any way limited or restricted by the terms of any other paragraph and shall be construed as separate, distinct and independent objects capable of being performed and carried out separately, distinctly and independently of each other.

In this Clause, a "corporation" means a body corporate (wherever incorporated) and a "person", includes a natural person, a corporation, a partnership, and any form of association or body, including (without limitation) a governmental or other public body or authority of any nature (whether state, federal, municipal, local or otherwise), in any part of the world.

4. The liability of the members is limited.
5. The authorised share capital of the Company is HK\$1,273,980,000 divided into 2,500,000,000 ordinary shares of HK\$0.48 each and 154,125,000 cumulative redeemable convertible participating preference shares of HK\$0.48 each. (*Footnote*)

Footnote

- (1) By Written Resolutions of the Members and Holders of the Cumulative Redeemable Convertible Participating Preference Shares both dated 3rd February 2004, with the sanction of an Order of the High Court of the Hong Kong Special Administrative Region dated 17th February, 2004 and registration of the Order and Minute as approved by the Court by the Registrar of Companies, the authorised share capital was reduced from HK\$633,000,000 divided into 433,000,000 ordinary shares ("Ordinary Shares") of HK\$1.00 each and 200,000,000 cumulative redeemable convertible participating preference shares ("Preference Shares") of HK\$1.00 each to HK\$281,820,000 divided into 433,000,000 Ordinary Shares of HK\$0.48 each and 154,125,000 Preference Shares of HK\$0.48 each by reducing the nominal amount of all the issued Ordinary Shares and Preference Shares from HK\$1.00 to HK\$0.48 per share and cancelling paid-up capital to the extent of HK\$0.52 upon each of the Ordinary Shares and Preference Shares in issue and by cancelling all of the 45,875,000 unissued Preference Shares;
- (2) By Written Resolution of Members dated 4th March 2004, the authorised ordinary share capital was increased from HK\$207,840,000 to HK\$1,200,000,000 by the creation of 2,067,000,000 Ordinary Shares of HK\$0.48 each ranking pari passu in all respects with the existing issued shares.

WE, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum; and we agree to take the number of shares shown opposite our respective names.

Names, Addresses and Descriptions of Subscribers	Number of shares taken by each Subscriber
1. For and on behalf of Rikyu Nominees Limited (Sd.) Andrew Ross Long Andrew Ross Long Authorised Signature 11th Floor, Peregrine Tower Lippo Centre, Queensway Hong Kong Corporation	One
2. For and on behalf of Naniwa Nominees Ltd. (Sd.) Andrew Ross Long Andrew Ross Long Authorised Signature 11th Floor, Peregrine Tower Lippo Centre, Queensway Hong Kong Corporation	One
Total shares taken	Two

Dated 24th May 1994

WITNESS to the above signatures:-

(Sd.) Eva Lai
Eva Lai
11th Floor, Peregrine Tower
Lippo Centre, Queensway
Hong Kong
Company Secretary

THE COMPANIES ORDINANCE (CHAPTER 32)

Company Limited by Shares

ARTICLES OF ASSOCIATION

(Including all amendments up to 5th December 2008)

OF

CHINA MOBILE HONG KONG COMPANY LIMITED

中國移動香港有限公司

Interpretation

- 1 The regulations contained in Table A in the First Schedule to the Ordinance shall not apply to the Company.
- 2 (a) In these Articles-
 - "Auditors"** means the auditors for the time being of the Company;
 - "Board"** and **"Directors"** means the directors for the time being of the Company or the directors present at a duly convened meeting of directors at which a quorum is present;
 - "Company"** means the abovenamed company;
 - "CRCP Shares"** means the cumulative redeemable convertible participating preference shares in the capital of the Company having the rights set out in Articles 20 to 40;
 - "Ordinance"** means the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time, and includes every other ordinance incorporated therewith or substituted therefor; and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new ordinance;
 - "seal"** means the common seal of the Company;

"secretary" means any person appointed to perform the duties of the secretary of the Company;

"share" means a share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;

"these Articles" means these Articles of Association in their present form or as altered from time to time.

- (b) Expressions used in these Articles referring to writing shall, unless the contrary intention appears, be construed as including references to typewriting, printing, facsimile, telex messages, lithography, photography, electronic means of communication and any other modes of representing or reproducing words in a legible and non-transitory form.
- (c) Wherever any provision of these Articles (except a provision for the appointment of a proxy) requires that a communication as between the Company, its Directors or members be effected in writing, the requirement, unless otherwise restricted or prohibited under the Ordinance, may be satisfied by the communication being given in the form of an electronic record if the person to whom the communication is given consents to it being given to him in that form.
- (d) Wherever any provision of these Articles requires that a meeting of the Company, its Directors or members be held, the requirement, unless otherwise restricted or prohibited under the Ordinance, may be satisfied by the meeting being held by such lawful electronic means and in such manner as may be agreed by the Company in general meeting.
- (e) In these Articles, if not inconsistent with the subject or context, words importing the singular number only shall include plural number and vice versa, words importing any gender shall include all other genders and references to persons shall include corporations (acting, where applicable, by their duly authorised representatives).
- (f) Any words defined in the Ordinance shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

3 The Company is a private company and accordingly:-

- (a) the right to transfer shares is restricted in manner hereinafter prescribed;
- (b) the number of members of the Company (exclusive of persons who are in the employment of the Company and of persons who having been formerly in the employment of the Company were while in such employment and have continued after the determination of such employment to be members of the Company) is limited to fifty provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member;
- (c) any invitation to the public to subscribe for any shares or debentures of the Company is prohibited; and
- (d) the Company shall not have power to issue share warrants to bearer.

Registered Office

- 4 The registered office of the Company shall be at such place in Hong Kong as the Directors shall from time to time appoint.

Share Capital and Variation of Rights

- 5 The authorised share capital of the Company at the date on which these Articles come into effect shall be HK\$1,273,980,000 divided into 154,125,000 CRCP Shares and 2,500,000,000 shares of HK\$0.48 each.
- 6 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time determine or, in the absence of any such determination, as the Directors shall determine.
- 7 Subject to the Ordinance, the Company may issue shares on the terms that they are, or at the option of the Company or the holder of the shares are liable, to be redeemed.
- 8 Subject to the Ordinance and these Articles, all unissued shares shall be at the disposal of the Directors who may allot, grant options over, or otherwise deal with or dispose of the same to such persons, at such times for such consideration and generally upon such terms and conditions as they shall in their absolute discretion think fit, provided that no shares of any class shall be issued at a discount except in accordance with the Ordinance.
- 9 The Company may, in respect of the same class of shares, make arrangements on the issue of the shares for different amount of calls to be paid and the time of payment of such calls.
- 10 If by the conditions of allotment of any shares the whole or part of the issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the registered holder of the shares or his legal representatives.
- 11 If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.
- 12 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 13 The Company may in connection with the issue of any shares exercise all powers of paying interest out of capital and of paying commission and brokerage conferred or permitted by the Ordinance.
- 14 Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by

these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

- 15 No person shall become a member until his name shall have been entered into the register of members of the Company.
- 16 Every person whose name is entered as a member in the register of members of the Company shall be entitled without payment to receive within two months after allotment or lodgement of an instrument of transfer duly stamped, or within such other period as the conditions of issue shall provide, one certificate for all his shares of any particular class, or several certificates, each for one or more of his shares, upon payment of such sum, not exceeding HK\$2.00 for every certificate after the first, as the Directors shall from time to time determine, provided that in the event of a member transferring part of the shares represented by a certificate in his name a new certificate in respect of the balance thereof shall be issued in his name without payment and, in the case of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate and the delivery of a certificate to one of the joint holders shall be sufficient delivery to all such holders.
- 17 Every share certificate shall be issued under the seal, or under the official seal kept by the Company under section 73A of the Ordinance, and shall specify the number and class of shares, and, if required, the distinctive numbers thereof, to which the certificate relates, and the amount paid up thereon. If at any time the share capital of the Company is divided into different classes of shares, every share certificate issued at that time shall comply with section 57A of the Ordinance, and no certificate shall be issued in respect of more than one class of shares.
- 18 If a share certificate be defaced, lost or destroyed, it may be replaced on payment of a fee of HK\$2.00 or such lesser sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence as the Directors think fit.
- 19 Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with the benefit of survivorship, subject to the following provisions:-
 - (a) the Company shall not be bound to register more than four persons as the holders of any shares except in the case of the legal personal representatives of a deceased member;
 - (b) the joint holders of any shares shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares;
 - (c) on the death of any one of such joint holders the survivor or survivors shall be the only person or persons 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; and
 - (e) the Company shall be at liberty to treat the person whose name stands first in the register of members of the Company as one of the joint holders of any shares as solely entitled to delivery of the certificate relating to such shares, or to receive notices from the Company, or to attend or vote at general meetings of the Company,

and any notice given to such person shall be deemed notice to all the joint holders, but any one of such joint holders may be appointed the proxy of the persons entitled to vote on behalf of such joint holders, and as such proxy to attend and vote at general meetings of the Company, but if more than one of such joint holders be present at any meeting personally or by proxy, that one so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote.

CRCP Shares

- 20** Subject to any necessary consents the holders of the CRCP Shares shall be entitled to be paid out of the profits of the Company available for dividend and resolved to be distributed in respect of any financial year for which the Company's accounts are made up a cumulative preferential dividend (the "**Preferential Dividend**") in priority to any payment to the holders of any other class of shares at the rate of five (5) per cent. per annum on HK\$1.00 per CRCP Share). The Preferential Dividend shall be payable on 30th June and 31st December in each year in respect of the half-years ended on those dates respectively or, if any such date shall be a Saturday, Sunday or public holiday in Hong Kong, on the first business day immediately following that date, save that in respect of any CRCP Shares allotted between the above two dates, the first such payment shall be made on the next following date for payment of the Preferential Dividend, in respect of the period from and including the date of allotment of such CRCP Shares calculated on a day-to-day basis and on the basis of a three hundred sixty-five (365) day year. The amount of profits available for distribution and resolved by the Directors to be distributed in respect of any financial year as Preferential Dividend shall be determined by resolution of the Board and shall not require any approval or sanction by the members (or the holders of any class of shares) in general meeting, and accordingly any provisions of these Articles which would or might require any such approval or sanction shall not apply to the payment of any Preferential Dividend pursuant to this Article.
- 21** Thereafter, the holders of the CRCP Shares shall, together with the holders of the ordinary shares, be entitled to distributed of profits as if the ordinary shares and the CRCP Shares constituted one (1) class of shares *pari passu*.
- 22** On a liquidation, dissolution, winding up (whether voluntary or involuntary) or return or reduction of capital of the Company (other than redemption of the CRCP Shares) the assets of the Company available for distribution among the members shall be applied:
- (a) in priority to any payment to the holders of any other class of shares:
- (1) first in paying to the holders of the CRCP Shares a sum equal to any arrears, deficiency or accrual of the Preferential Dividend thereon calculated down to the date of commencement of the liquidation, dissolution, winding up or return or reduction of capital of the Company, and to be payable irrespective of whether such dividend has been declared or earned or become due for payment or not;
- (2) secondly an amount in repayment of capital equal to the greater of:
- (A) the amount paid up or credited as paid up on such shares (including any premium paid up or credited as paid up thereon) (the "**Paid-up Amount**"); or

- (B) the amount which would have been paid in such liquidation, dissolution, winding up, return or reduction of capital in respect of the ordinary shares into which the CRCP Shares were convertible immediately prior to such liquidation, dissolution, winding up, return or reduction of capital (assuming all CRCP Shares were so converted and that fractional shares of ordinary shares were issued upon conversion); and
- (b) after the repayment of the nominal amount of any other class of shares, any surplus assets then remaining shall be distributed *pari passu* among the holders of the CRCP Shares and the ordinary shares *pro rata* according to the amounts paid up on the CRCP Shares and the ordinary shares held by them respectively.
- 23 The holders of the CRCP Shares shall have the right exercisable, subject as provided in Article 24 below, at any time to convert any of their CRCP Shares into fully paid ordinary shares at the conversion rate (subject to adjustment as provided in Article 28 below) of one (1) ordinary share for every one (1) CRCP Share.
- 24 The conversion rights shall be exercisable by sending to the secretary of the Company at any time the relevant share certificate with a duly completed conversion notice exercising such conversion right in such form as the Directors shall reasonably approve, and together with such other evidence (if any) as the Directors may reasonably require to prove the title and claim of the person exercising the right. The Company shall, not later than fourteen (14) days after the date of the conversion notice (the "**Conversion Date**"), despatch certificates free of charge for the ordinary shares resulting from conversion and, if appropriate, certificates for any balance of the CRCP Shares remaining unconverted.
- 25 Conversion of the CRCP Shares in respect of which the right to convert shall have been duly exercised and which are due to be converted (the "**Relevant CRCP Shares**") may be effected in such manner as the Directors shall, subject to these Articles and as may be authorised by law, from time to time in their absolute discretion determine, including by way of consolidation and subdivision (which consolidation and subdivision, as the case may be, are hereby resolved upon) or by way of redemption of the Relevant CRCP Shares or otherwise.
- 26 Fractions of ordinary shares arising on conversion will not be allotted to the holders of the Relevant CRCP Shares.
- 27 The Preferential Dividend on the CRCP Shares which are converted shall cease to accrue with effect from the date (the "**Registration Date**") when the name of the holder thereof is entered into the Register in respect of the ordinary shares issued on conversion of the Relevant CRCP Shares, but the holder shall be entitled to all arrears of dividend accrued to and including the Registration Date, which shall be paid within fourteen (14) days of the Registration Date. The ordinary shares resulting from conversion shall carry the right to receive all dividends and other distributions declared, made or paid upon the ordinary share capital of the Company by reference to any record date on or after the Registration Date and shall rank *pari passu* in all other respects and form one (1) class with the ordinary share capital of the Company then in issue and fully paid.
- 28 Whilst any of the CRCP Shares remain capable of being converted into ordinary shares, upon any allotment of fully paid ordinary shares pursuant to a capitalisation of profits or reserves to any holders of ordinary shares, any consolidation into a smaller number of issued ordinary shares or any sub-division into a greater number of issued ordinary shares,

the conversion rate shall be appropriately adjusted so that the number of ordinary shares to be issued in respect of CRCP Shares converted on any Conversion Date following the record date for such allotment, consolidation or sub-division shall be the number which the converting holder of CRCP Shares would have been entitled after the happening of any such event had his CRCP Shares been converted immediately prior to the relevant record date.

- 29** If whilst any of the CRCP Shares remain capable of conversion any offer or invitation by way of rights or otherwise is made to the holders of the ordinary share capital of the Company or if a person proposes a scheme with regard to such an offer, the Company shall give written notice of such fact to all holders of CRCP Shares within seven (7) days of its becoming so aware, and shall make or, so far as it is able, procure that there is made a like offer or invitation or that such scheme extends a like offer at the same time and to each holder of CRCP Shares as if its conversion rights had been exercisable and exercised in full on the record date for such offer or invitation or scheme containing such offer.
- 30** Subject to the provisions of applicable law and the Company obtaining any necessary consents, the holders of the CRCP Shares may redeem all or any outstanding CRCP Shares at any time provided that the holders of the CRCP Shares shall not be obliged to redeem any or all of the CRCP Shares held by them respectively at any time.
- 31** Any notice of redemption served by a holder of CRCP Shares shall specify the number of CRCP Shares to be redeemed, the amount payable to each such shareholder, the date fixed for redemption (which shall be not less than fourteen (14) days after the date of such notice) and the place in Hong Kong at which the certificates for such CRCP Shares are to be presented for redemption. Upon such date the holder of the CRCP Shares concerned shall deliver to the Company at such place the certificate(s) for such of the CRCP Shares concerned as are held by it in order that the same may be cancelled. Upon such delivery the Company shall pay to such holder the amount due to it in respect of such redemption. If any certificate so delivered to the Company includes any CRCP Shares not to be redeemed on the relevant date of redemption, a fresh certificate for such CRCP Shares shall be issued free of charge to the holder delivering such certificate to the Company.
- 32** There shall be paid on each CRCP Share redeemed:
- (a) the Paid-up Amount;
 - (b) a sum equal to five (5) per cent. per annum on the Paid-up Amount from the date the Paid-up Amount was paid to the Company to the date of redemption calculated on a day-to-day basis and on the basis of a three hundred sixty-five (365) day year; and
 - (c) a sum equal to all arrears of the Preferential Dividend thereon to be calculated down to the date of redemption irrespective of whether such dividend has been declared or earned or become due for payment or not.
- 33** As from the date fixed for redemption of any CRCP Shares the Preferential Dividend thereon shall cease to accrue, except on or in relation to any CRCP Share in respect of which, upon due presentation of the certificate relating thereto, payment of the monies due at redemption is refused.
- 34** The CRCP Shares shall entitle the holders thereof to receive notice of, attend and vote at any general meeting of the Company. Each CRCP Share shall confer on its holder such number of votes to which it would have been entitled had the CRCP Share been converted into ordinary share(s) at the time of voting.

- 35** Except with the consent or sanction of at least seventy-five (75) per cent. of the votes cast by the holders of the CRCP Shares at a separate class meeting or with the consent of the holders of not less than seventy-five (75) per cent. of the CRCP Shares in writing, and for so long as any CRCP Share is capable of conversion:
- (a) no change shall be made to the terms of the CRCP Shares contained in this Article or any other shares of the Company;
 - (b) no further shares or securities ranking as regards participation in the profits or assets of the Company in priority to or *pari passu* with the preferential rights as to dividend and return of capital of the CRCP Share shall be created or issued; and
 - (c) no resolution shall be passed whereby the rights attached to the ordinary shares shall be modified, varied or abrogated or for reducing the Company's share capital or any uncalled liability thereon or the amount for the time being standing to the credit of its share premium account or capital redemption reserve in any manner for which the consent of the court would be required or whereby the purchase by the Company of any shares in its capital is sanctioned.
- 36** Unless and until all outstanding Preferential Dividends to which the holders of CRCP Shares are entitled have been paid in full, and an amount representing the Preferential Dividend payable in relation to the period in which the following events are to take place has been irrevocably reserved in the Company's funds by the Company for the benefit of the holders of CRCP Shares for the purpose of the payment of the Preferential Dividend in accordance with this Article, the Company shall not (subject to any agreement between the shareholders):
- (a) pay any dividend or distribute any profits or reserve any amount in the Company's funds for the purpose of making such payment or distribution; or
 - (b) redeem or purchase the shares of any other class of the Company's share capital.
- 37** Any consolidation and/or sub-division to be effected on conversion shall be effected pursuant to the authority to be given by the resolution amending the Company's Articles to reflect the rights and restrictions attaching to the CRCP Shares.
- 38** Any CRCP Shares redeemed shall be treated as cancelled on redemption and the amount of the Company's issued share capital shall, accordingly, be diminished by the nominal amount of these shares. The preference share capital existing as a consequence of such redemption of any of the CRCP Shares shall pursuant to the authority hereby given be converted, subdivided and/or consolidated into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (or as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the CRCP Shares as the Directors may determine.
- 39** The Company shall on request send to the holders of CRCP Shares a copy of every document sent to the holders of its ordinary shares at the same time as it is sent to the holders to the ordinary shares.
- 40** The CRCP Shares will be transferable by transfer in writing in the usual common form or in any other form which the Board may reasonably approve. The CRCP Shares shall be subject to restrictions regarding their transfer and issue and allotment similar to those

applicable to the ordinary shares, and Articles 55 to 61 shall, mutatis mutandis, apply to the CRCP Shares for this purpose.

Lien

- 41** The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of a single person for all moneys presently payable by him or his estate 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.
- 42** The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy.
- 43** To give effect to any such sale the Directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 44** The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.
- 45** A statutory declaration in writing by a Director or the secretary of the Company that a share has been sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Calls on Shares

- 46** The Directors may from time to time make calls upon the members in respect of all moneys unpaid on their shares whether on account of the nominal value of the shares or by way of premium but subject always to the terms of issue of such shares, and any such call may be made payable by instalments. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place for payment, pay to the Company the amount called on his shares and at the time or times and place so specified.

The non-receipt of a notice of any call by, or the accidental omission to give notice of a call to, any of the members shall not invalidate the call.

- 47** A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed. A call may be revoked, varied or postponed as to all or any of the members liable therefore as the Directors may determine.
- 48** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 49** If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
- 50** Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 51** The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.
- 52** The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) eight per cent per annum, as may be agreed upon between the Directors and the member paying such sum in advance. The Directors may also at any time repay the amount so advanced upon the giving to such member one month's notice in writing.
- 53** On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that:
- (a) the name of the member sued is entered in the register of members of the Company as the holder, or as one of the holders, of the shares in respect of which such money is due;
 - (b) that the resolution making the call is duly recorded in the minute book of the Company; and
 - (c) that notice of such call was duly given to the member sued in pursuance of these Articles

and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence that the money is due.

- 54** No member shall, unless the Directors otherwise determine, be entitled to receive any dividend, or to receive notice of or to be present or vote at any general meeting, either

personally or (save as proxy for another member) by proxy, or to exercise any privileges as a member, or be reckoned in a quorum, until he shall have paid all calls or other sums for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

Transfer of Shares

- 55** The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof.
- 56** Subject to such of the restrictions of these Articles as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the Directors may approve.
- 57** The Directors may, in their absolute discretion, and without giving any reason, decline to register the transfer of a share, and they may also decline to register the transfer of a share on which the Company has a lien.
- 58** The Directors may also decline to recognize any instrument of transfer unless:-
- (a) a fee of HK\$5 or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof;
 - (b) in the case of a transfer to joint holders, the number of transferees does not exceed four;
 - (c) the instrument of transfer is 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; and
 - (d) the instrument of transfer is in respect of only one class of share.
- 59** If the Directors refuse to register a transfer they shall within two months after the date on which the transfer was lodged with the Company send to the transferor and transferee notice of the refusal.
- 60** The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended in any year for more than thirty days or, where the period for closing the register of members of the Company is extended in respect of that year under section 99(2)(a) of the Ordinance, for more than that extended period.
- 61** The Company shall be entitled to charge a fee not exceeding HK\$5 on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

Transmission of Shares

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

from any liability in respect of any share which had been jointly held by him with other persons.

- 63** Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.
- 64** 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. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.
- 65** A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company, provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Forfeiture of Shares

- 66** If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 67** The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
- 68** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share which are not actually paid before forfeiture. The Directors may also accept a surrender of any share liable to be forfeited hereunder by a resolution to that effect.
- 69** A share forfeited or surrendered shall become the property of the Company and may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit,

and at any time before a sale or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit.

- 70 A person whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the Company all moneys which, at the date of forfeiture or surrender, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares from the sale or disposition thereof. The Directors shall account to the person whose shares have been forfeited or surrendered with the balance (if any) of monies received by the Company in respect of those shares after deduction of expenses of forfeiture, sale or disposal of the shares and any amounts due to the Company in respect of the shares.
- 71 A statutory declaration in writing of a Director or the secretary of the Company that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale or disposal of the share.
- 72 The provisions of these Articles as to forfeiture and surrender shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Conversion of Shares into Stock

- 73 The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.
- 74 The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same Articles, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- 75 The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- 76 Such of the Articles of the Company as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

Alteration of Capital

- 77 The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
- 78 The general meeting resolving upon the creation of any new share may make any provision as to the issue and allotment of the new shares, and in default of any such direction, or so far as the same shall not extend, the new shares shall be at the disposal of the Directors, and Article 7 shall apply thereto.
- 79 The Directors shall not exercise any power conferred on them to allot shares in the Company without the prior approval of the Company in general meeting where such approval is required by section 57B of the Ordinance.
- 80 The Company may by ordinary resolution:-
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of the Ordinance and the resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from such sub-division one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares; or
 - (c) 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.
- 81 Where any difficulty arises in regard to any consolidation and division under paragraph (a) of Article 80, the Directors may settle the same as they think expedient and in particular may arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the members who would have been entitled to the fractions, and for this purpose the Directors may authorise some person to transfer the shares representing fractions to the purchaser thereof, who shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
- 82 The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner allowed by law.

Purchase of Own Shares

- 83 Subject to the Ordinance, the Company may purchase its own shares (including any redeemable shares).
- 84 Subject to the Ordinance, the Company may make a payment in respect of the redemption or purchase of its own shares otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares.

Modification of Rights

- 85 All or any of the special rights attached to any class of shares for the time being in issue may, at any time, as well before as during liquidation, be altered or abrogated either with the consent in writing of the holders of not less than three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class, and all the provisions contained in these Articles relating to general meetings shall mutatis mutandis apply to every such meeting, but so that the quorum thereof shall be not less than two persons (unless the Company has only one member, the quorum thereof shall be one person) holding or representing by proxy one-third in nominal value of the issued shares of the class, and that any holder of shares of the class present in person or by proxy may demand a poll.
- 86 The provisions of the foregoing Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights where of are to be varied.
- 87 The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

General Meetings

- 88 Subject to section 111(6) of the Ordinance, the Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Directors shall appoint.
- 89 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 90 The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by section 113 of the Ordinance.

Notice of General Meetings

- 91 Subject to section 116C of the Ordinance, an annual general meeting and a meeting called for the passing of a special resolution shall be called by at least twenty one days' notice in writing, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least 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 of meeting for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company.

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

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

92 Every notice calling a general meeting shall specify the place and the day and time of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member is entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of him and that a proxy need not be a member of the Company. In the case of an annual general meeting, the notice shall also specify the meeting as such. In the case of any general meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.

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

Proceedings at General Meetings

94 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of:-

- (a) the receipt of the accounts and the balance sheet and the reports of the Directors and the Auditors, and other documents required to be annexed to the accounts;
- (b) the declaration and sanction of dividends;
- (c) the election of Directors;
- (d) the appointment of the Auditors; and
- (e) the fixing of, or the determination of the method of fixing, the remuneration or extra remuneration of the Directors and the Auditors.

95 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 continues to be present until the conclusion of the meeting; save as otherwise determined by the Company by ordinary resolution, two members present in person or by proxy shall be a quorum. If the Company has only one member, one member present in person or by proxy shall be a quorum of a meeting of the Company.

96 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time

appointed for the meeting, the members present in person or by proxy and entitled to vote shall be a quorum.

- 97** The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act or is absent from Hong Kong or has given notice to the Company of his intention not to attend the meeting, the Directors present shall elect one of their number to be chairman of the meeting.
- 98** If at any meeting no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
- 99** The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place or sine die, 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 thirty days or more, or sine die, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Where the meeting is adjourned sine die the time and place for the adjourned meeting shall be fixed by the Directors.
- 100** At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-
- (a) by the chairman;
 - (b) by at least two members present in person or by proxy, or if the Company has only one member, one member present in person or by proxy;
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) by a member or members 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 the shares conferring that right.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- 101** A demand for a poll may be withdrawn only with the approval of the chairman. If a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 102** 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 takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
- 103** 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 as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Votes of Members

- 104** Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member who is present in person or by proxy shall have one vote for each share of which he is the holder.
- 105** In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
- 106** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis, or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy. If any member be a minor, he may vote by his guardian or one of his guardians who may give their votes personally or by proxy.
- 107** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 108** No objection shall be raised to the qualification of any voter 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.
- 109** On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- 110** The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorized. A proxy need not be a member of the Company.
- 111** The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place within Hong Kong as is specified for that purpose in the notice convening the meeting, not less than forty eight hours before the time 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 twenty four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid except with the approval of the chairman

of the meeting. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting to which it relates.

- 112** An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve from time to time, and shall be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy may think fit, subject to any voting instruction stated on the instrument.
- 113** The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 114** Subject to the provisions of the instrument of proxy, an instrument of proxy may be revoked by forwarding to the registered office of the Company before the relevant meeting written notification of such revocation signed by or on behalf of the person who issued or authorised the issue of the instrument of proxy.
- 115** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Corporations acting by Representatives at Meetings

- 116** Any corporation which is a member of the Company may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

Directors

- 117** Unless otherwise determined by an ordinary resolution of the Company, the number of Directors shall not be fewer than one and there shall be no maximum number of Directors.
- 118** The remuneration of the Directors shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
- 119** The shareholding qualification for Directors may be fixed by the Company in general meeting, and unless and until so fixed no qualification shall be required. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings and a Director who is not a member of any class of members of the Company shall nevertheless be entitled to attend and speak at a meeting of that class.
- 120** Any Director who holds any executive office or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are

outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine.

Borrowing Powers

- 121** The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and, subject to section 57B of the Ordinance, convertible debentures and convertible debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

Powers and Duties of Directors

- 122** Subject to the provisions of the Ordinance, the memorandum of association and these Articles and to any directions given by special resolution, the business and affairs of the Company shall be managed by the Directors, who may exercise all the powers of the Company. No alteration of the memorandum of association or these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by these Articles, and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 123** The Directors may from time to time and at any time, by power of attorney, appoint any company, firm or person or 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 discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers 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 authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
- 124** The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents for the Company, and may fix their remuneration, and may delegate (with or without the power to sub-delegate as the Directors shall determine) to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, and may authorise the members of any local boards, or any of them to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- 125** The Company may exercise the powers conferred by section 35 of the Ordinance with regard to having an official seal for use outside Hong Kong, and such powers shall be vested in the Directors.
- 126** The Company may exercise the powers conferred upon the Company by the Ordinance with regard to the keeping of a branch register, and subject to and to the extent permitted

by the Ordinance the Directors may make and vary such regulations as they may think fit with respect to the keeping of any such register.

- 127** A Director who is in any way, whether directly or indirectly, materially interested in a contract, arrangement or transaction or proposed contract, arrangement or transaction with the Company and which is of significance in relation to the Company's business shall declare the nature of his interest at the earliest meeting of the Directors at which it is practicable for him to do so in accordance with the Ordinance. A general notice to the Directors by a Director stating that, by reason of facts specified in the notice, he is to be regarded as interested in contracts, arrangements or transactions or proposed contracts, arrangements or transactions of any description which may subsequently be made or contemplated by the Company shall be deemed for the purposes of this Article to be a sufficient declaration of his interest, so far as attributable to those facts, in relation to any contract, arrangement or transaction or proposed contract, arrangement or transaction of that description which may subsequently be made or contemplated by the Company, but no such general notice shall have effect in relation to any contract, arrangement or transaction or proposed contract, arrangement or transaction unless it is given before the date on which the question of entering into the same is first taken into consideration on behalf of the Company.
- 128** Subject to any provision in the Ordinance, a Director may vote in respect of any such contract, arrangement or transaction or proposed contract, arrangement or transaction notwithstanding that he may be interested therein and, if he does so, his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which such contract, arrangement or transaction or proposed contract, arrangement or transaction shall come before the meeting for consideration provided that he has, where relevant, first disclosed his interest in accordance with Article 127.
- 129** If any question shall arise at any meeting as to the materiality of a Director's interest or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned as known to such Director have not been fairly disclosed.
- 130** A Director of the Company may be or may become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and, subject to the Ordinance, no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise direct.
- 131** A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be

liable to account to the Company for any profit realized by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

- 132** Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorize a Director or his firm to act as auditor to the Company.
- 133** All cheques, promissory notes, drafts, bills of exchange and other negotiable 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.
- 134** The Directors shall cause minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Directors;
 - (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

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

- 135** The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to the Director's spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

Appointment, Retirement and Removal of Directors

- 136** The first Directors to be appointed shall be appointed in writing by the subscribers to the Memorandum of Association.
- 137** The Company may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
- 138** Without prejudice to Article 137 above the Directors shall have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
- 139** Any Director appointed by the Board under Article 138 shall hold office only until the next following annual general meeting and shall then be eligible for re-election.
- 140** Without prejudice to Article 139, the Directors shall not be required to retire from office at the annual general meetings of the Company.
- 141** The office of a Director shall be vacated in any of the following events, each of which shall, without prejudice to the creation of a casual vacancy in any other manner, for the purposes of these Articles be regarded as creating a casual vacancy, namely:

- (a) if he shall become prohibited by law from acting as a director or shall cease to be qualified under these Articles to act as a Director;
- (b) if he shall resign by notice in writing signed by him and lodged at the registered office of the Company, and so that the office of Director shall be vacated with effect from the date specified in such notice or, if none, from the date on which it is so lodged;
- (c) if he shall have a receiving order made against him or shall make any arrangement or composition with his creditors generally;
- (d) if in Hong Kong or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;
- (e) if he shall be removed from office by an ordinary resolution of the Company.

142 The Company may by an ordinary resolution remove any Director before the expiration of its period of office notwithstanding anything said in these Articles or on any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.

Alternate Directors

- 143** Any Director may by notice in writing signed by him and lodged at the registered office of the Company, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate director and may in like manner at any time terminate such appointment. In the case of a corporation any such notice may be signed on its behalf by a Director or the secretary thereof or by its duly appointed attorney or duly authorised representative.
- 144** The appointment of an alternate director shall determine on the happening of any event which if he were a Director would cause him to vacate such office and if his appointor ceases to be a Director.
- 145** An alternate director shall (subject to his giving to the Company an address at which notices may be served on him) be entitled (in addition to his appointor) to receive and waive (in lieu of his appointor) notices of meetings of the Directors and of any committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director, he shall be counted in the quorum separately in respect of himself (if a Director) and in respect of each Director for whom he is an alternate (but so that nothing in this provision shall, unless the Company has only one Director, enable a meeting to be constituted when only one person is physically present) and his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. His signature to any resolution in writing of the Directors or of any such committee and his

attestation of the affixing of the seal shall be as effective as the signature and attestation of his appointor. An alternate director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

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

Proceedings of Directors

- 147** The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Notice of a meeting of the Directors shall be given to all Directors and may be given in any manner, including in writing, or by cable or telex or by facsimile transmission or by telephone or otherwise orally provided that it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Hong Kong. Any Director may waive notice of any meeting and any such waiver may be retroactive.
- 148** The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two (or one if the Company has only one Director). A meeting of Directors at which a quorum is present when the meeting proceeds to business shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
- 149** The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose. If there shall be no Director able or willing to act, then any two members (or one member if the Company has only one member) may summon a general meeting for the purpose of appointing Directors.
- 150** The Directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.
- 151** 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 Articles that may be imposed on it by the Directors.
- 152** The meetings and proceedings of any such committee consisting of two or more members shall be governed mutatis mutandis by the provisions of these Articles regulating the meeting and proceedings of the Directors, insofar as the same are not superseded by any regulations made by the Directors under the last preceding Article.

- 153 A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.
- 154 A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.
- 155 All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
- 156 A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held. A written notification of confirmation of such resolution in writing signed by a Director shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents, each signed by one or more Directors.

Executive Office

- 157 The Directors may from time to time appoint one or more of their body to be the holder of any executive office, including chairman or deputy chairman (whether or not executive) or managing or joint managing Director or deputy managing Director or assistant managing Director (collectively, an "**Executive Officer**"), on such terms and for such period as they may (subject to the provisions of the Articles and the Ordinance) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment. Any appointment hereunder shall be automatically determined if the Director ceases for any cause to be a Director and such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.
- 158 An Executive Officer shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.
- 159 The Directors may entrust to and confer upon an Executive Officer any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- 160 The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Secretary

- 161** The secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit and any secretary so appointed may be removed by them but without prejudice to any claim for damages for breach of contract or service between him and the Company. Two or more persons may be appointed as joint secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more assistant secretaries.

The Seal

- 162** The Directors shall provide for the safe custody of the seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorized by the Directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director or by some other person appointed by the Directors for the purpose and where any instrument to which the seal is affixed is so signed, the seal shall, as regards to all persons dealing in good faith with the Company, be deemed to have been affixed to that instrument with the authority of the Directors.
- 163** The Company may exercise all the powers of having official seals conferred by the Ordinance and such powers shall be vested in the Directors.

Dividends and Reserve

- 164** The Company may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by the Directors.
- 165** The Directors may, if they think fit, from time to time, resolve to pay to the members such interim dividends as appear to the Directors to be justified by the reserves of the Company. The Directors may also resolve to pay at half-yearly or other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if they are of the opinion that the reserves of the Company justify the payment.
- 166** The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.
- 167** Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

- 168** The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- 169** Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 170** Any dividend, bonus, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members of the Company or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, interest or other moneys payable in respect of the shares held by them as joint holders. The Company shall not be liable or responsible for any cheque or warrant lost in transmission nor for any dividend or other monies lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant.
- 171** No dividend shall bear interest against the Company.
- 172** All dividends unclaimed for one year after having become payable may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed, and all dividends unclaimed for two years after having become payable may be forfeited by the Directors and shall revert to the Company. The payment into a separate account of any monies payable in respect of a dividend shall not constitute the Company a trustee in respect thereof for any person.

Accounts

- 173** The Directors shall cause proper books of account to be kept with respect to:-
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.
- Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
- 174** The books of account shall be kept at the registered office of the Company, or, subject to section 121(3) of the Ordinance, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

- 175** The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or Articles the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Ordinance or authorized by the Directors or by the Company in general meeting.
- 176** The Directors shall from time to time, in accordance with sections 122, 124 and 129D of the Ordinance, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.
- 177** A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than twenty one days before the date of the meeting be sent to every member of, and every holder of debentures of, the Company and to all persons other than members or holders of debentures of the Company, being persons entitled to receive notices of general meetings of the Company provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

Capitalization of Profits

- 178** The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be allotted to members of the Company as fully paid bonus shares.
- 179** Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully-paid shares or debentures, 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 for the case of shares or debentures becoming distributable in fractions, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, 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.

Auditors

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

Notices

- 181** Any notice from the Company to a member shall be given in writing or by cable, telex, electronic means or facsimile transmission and any such notice and (where appropriate) any other document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register of members of the Company or at any other address supplied by him to the Company for the giving of notice to him or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number 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.
- 182** Any notice or other document:
- (a) if served or delivered by post, shall be sent via airmail where appropriate and shall be deemed to have been served or delivered at the time when the envelope containing the same is put into the post and in proving such service or delivery it shall be sufficient to prove that the letter 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 that the envelope containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof; and
 - (b) 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 as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.
- 183** A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members of the Company in respect of the share.
- 184** Any notice or document delivered or sent by post to, or left at, the registered address of any member or any other address supplied by him to the Company for the giving of notice to him shall, if such member be then deceased, and whether or not the Company has notice of his death, be deemed to have been duly served on his legal personal representatives.
- 185** Every person who, by operation of law, transfer, transmission, or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which, previously to his name and address being entered in the register of members of the

Company as the registered holder of such share, shall have been duly given to the person from whom he derives the title to such share.

Winding up

- 186** The Directors shall have the power in the name and on the behalf of the Company to present a winding up petition to the Court for the Company to be wound up.
- 187** If the Company shall be wound up the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Ordinance, divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

- 188** Subject to the provisions of and so far as may be consistent with the Ordinance, the Company shall indemnify any Director, holder of executive office, agent, auditor, secretary and other officer for the time being of the Company against any liability incurred by him in relation to the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 358 of the Ordinance in which relief is granted to him by the court.
- 189** The Company may purchase and maintain for any Director, holder of executive office, agent, auditor, secretary and other officer for the time being of the Company:-
- (a) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
 - (b) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

Signature

- 190** For the purposes of these Articles, a cable or telex or electronic or facsimile transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate director, or, in the case of a corporation which is a holder of shares or a Director or alternate director, from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate director in the terms in which it is received.

Names, Addresses and Descriptions of Subscribers

For and on behalf of
Rikyu Nominees Limited

(Sd.) Andrew Ross Long
Authorised Signature
11th Floor, Peregrine Tower
Lippo Centre, Queensway
Hong Kong
Corporation

For and on behalf of
Naniwa Nominees Limited

(Sd.) Andrew Ross Long
Authorised Signature
11th Floor, Peregrine Tower
Lippo Centre, Queensway
Hong Kong
Corporation

Dated this 24th May 1994.

WITNESS to the above signatures:-

(Sd.) Eva Lai
11th Floor, Peregrine Tower
Lippo Centre, Queensway
Hong Kong
Company Secretary