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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shoucheng Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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首程控股有限公司
SHOUCHENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTOR,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the AGM of Shoucheng Holdings Limited to be held at 10:00 a.m. on Wednesday, 30 April 2025 at 5th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong is set out in Appendix IV to this circular. Whether or not you are able to attend the meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the meeting (i.e., at or before 10:00 a.m. on Monday, 28 April 2025 (Hong Kong Time)), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting (as the case may be) should you so wish.

5 April 2025

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Wednesday, 30 April 2025 at 5th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong or any adjournment thereof
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board, which was established in December 1998
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	Shoucheng Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Consultation Conclusions”	the conclusions on the consultation paper on “Proposed Amendments to Listing Rules Relating to Treasury Shares” published by the Stock Exchange on 12 April 2024
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules
“core connected person”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

DEFINITIONS

“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	31 March 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange and any amendments thereto
“New Articles”	the new articles of association of the Company proposed to be adopted at the AGM
“Nomination Committee”	the nomination committee of the Board, which was established in February 2005
“PRC”	the People’s Republic of China but excluding, for the purpose of this circular, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Proposed Amendments”	the proposed amendments to the Articles as set out in Appendix III to this circular
“Remuneration Committee”	the remuneration committee of the Board, which was established in February 2005
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) for the time being of the Company within the meaning of the Companies Ordinance
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules which came into effect on 11 June 2024 and as amended from time to time
“%”	per cent.

LETTER FROM THE BOARD



首程控股有限公司
SHOUCENG HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 697)

Executive Directors:

Mr. Zhao Tianyang (*Chairman*)
Mr. Xu Liang

Non-executive Directors:

Mr. Wu Lishun
Mr. Li Hao (*Vice Chairman*)
Mr. Peng Jihai
Mr. Ho Gilbert Chi Hang
Mr. Liu Jingwei

Independent Non-executive Directors:

Dr. Wang Xin
Mr. Choi Fan Keung Vic
Mr. Deng Yougao
Ms. Zhang Quanling
Ms. Zhuge Wenjing

Registered Office:

7th Floor
Bank of East Asia
Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

5 April 2025

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTOR,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding the proposals for (i) granting of general mandates to the Directors to issue and buy back Shares; (ii) re-election of retiring Director; (iii) amendments to the Articles and adoption of the New Articles; and (iv) to give the Shareholders notice of the AGM. Such proposals will be dealt with at the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the AGM, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares (including the sale or transfer of Treasury Shares out of treasury, if any) not exceeding in aggregate 20% of the total number of Shares (excluding any Treasury Shares, if any) in issue at the date of passing of such resolution; (ii) to buy back Shares not exceeding 10% of the total number of Shares (excluding any Treasury Shares, if any) in issue at the date of passing of such resolution; and (iii) to add the aggregate number of the Shares bought back by the Company to the general mandate to the Directors to allot new Shares of up to 20% of the total number of Shares (excluding any Treasury Shares, if any) in issue.

The mandates to issue and buy back Shares granted at the annual general meeting held on 23 May 2024 will lapse at the conclusion of the AGM. Resolutions nos. 5 to 7 set out in the notice of AGM will be proposed at the AGM to renew these mandates.

With effect from 11 June 2024, the Listing Rules were amended to introduce flexibility for listed companies to allow repurchased shares to be held in treasury with detailed rules to govern the resale of treasury shares. Amendments have also been made to the relevant provisions of the Companies Ordinance, which will come into effect on 17 April 2025, to allow listed companies incorporated in Hong Kong, on buying back their own shares, to hold such shares as treasury shares. The Company will amend the Articles accordingly to align with the latest amendments in the Listing Rules and the Companies Ordinance. After the aforementioned amendments to the Companies Ordinance come into effect and after the aforementioned amendments to the Articles are approved and adopted by the Shareholders, if the Company buys back any of its Shares pursuant to the general mandate to buy back Shares, the Company may (i) cancel the Shares bought back and/or (ii) hold such Shares bought back in treasury as Treasury Shares, subject to the market conditions and the capital management needs of the Company at the relevant time such buy-back of Shares is made. If the Company holds any Shares bought back in treasury, any subsequent sale or transfer of such Shares held in treasury shall be subject to the general mandate to issue shares as approved at the AGM and made in accordance with the Listing Rules, the Articles, the Companies Ordinance and applicable laws and regulations of Hong Kong.

Based on 7,284,855,440 Shares (excluding any Treasury Shares, if any) in issue as at the Latest Practicable Date and assuming that there is no change to the number of Shares in issue prior to the AGM, subject to the passing of the relevant ordinary resolutions to approve the mandate to issue Shares at the AGM, the Directors will be authorised to allot, issue and otherwise deal with (including the sale or transfer of Treasury Shares out of treasury, if any) up to 1,456,971,088 Shares under the general mandate.

LETTER FROM THE BOARD

In accordance with the Listing Rules, the Company may not (i) make a new issue of Shares, or a sale or transfer of any Treasury Shares, or (ii) announce a proposed new issue of Shares, or a sale or transfer of any Treasury Shares, for a period of 30 days after any purchase by it of Shares, whether on the Stock Exchange or otherwise, without the prior approval of the Stock Exchange. If approved by the Shareholders at the AGM, the general mandate to allot, issue and otherwise deal with Shares (including the sale or transfer of Treasury Shares out of treasury, if any) will continue in force until the earlier of (i) the conclusion of the next annual general meeting of the Company following the passing of the resolution referred to herein; or (ii) the revocation or variation of the general mandate to issue Shares by an ordinary resolution of the Shareholders in general meeting.

The explanatory statement, required by the Listing Rules to be provided to the Shareholders in connection with the proposed general mandate to buy back the Shares (the “**Share Buy-back Mandate**”) is set out in the Appendix I to this circular which contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution.

3. RE-ELECTION OF RETIRING DIRECTOR

In accordance with article 102(A) of the Articles, Mr. Xu Liang, Mr. Choi Fan Keung Vic, Mr. Deng Yougao and Ms. Zhang Quanling will retire by rotation at the AGM and, be eligible for re-election. Ms. Zhang Quanling will offer herself for re-election at the AGM. Mr. Xu Liang, Mr. Choi Fan Keung Vic and Mr. Deng Yougao will not offer themselves for re-election and will retire at the conclusion of the AGM.

Ms. Zhang Quanling, being an Independent Non-executive Director eligible for re-election at the AGM, has made a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board have assessed the independence of Ms. Zhang Quanling and are satisfied that she has the required character, integrity and experience to continue fulfilling the role of an Independent Non-executive Director and consider her to be independent.

Given her education background, in-depth and diversified experience and practice, in particular in news media, brand building and strategic planning, which allow her to continue to provide valuable and relevant insights and contribute to the diversity of the Board, the Nomination Committee believes that she will continue to contribute effectively to the Board.

Having regard to the board diversity policy and nomination policy adopted by the Company, the Nomination Committee recommended re-election of the aforesaid retiring Director to the Board. Accordingly, the Board has proposed that the re-election of Ms. Zhang Quanling as an Independent Non-executive Director is in the interest of the Company and the Shareholders as a whole, and therefore recommends the Shareholders to re-elect her as an Independent Non-executive Director by way of an ordinary resolution at the AGM.

LETTER FROM THE BOARD

Details of the retiring Director who is proposed to be re-elected at the AGM are set out in Appendix II to this circular.

4. PROPOSED AMENDMENTS TO THE ARTICLES AND ADOPTION OF THE NEW ARTICLES

Reference is made to the announcement of the Company dated 26 March 2025 in relation to the Proposed Amendments and adoption of the New Articles.

The Company proposes certain amendments to the Articles to (i) tie in with the latest legal and regulatory requirements in relation to Treasury Shares; (ii) align with the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers; (iii) enable the Company to conduct general meetings (including holding hybrid/virtual general meetings) and communicate with shareholders more efficiently; (iv) allow resolution in writing signed by a majority of the Directors to be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held; (v) align with other relevant requirements of the Listing Rules and Companies Ordinance; and (vi) make consequential and other housekeeping amendments to the Articles.

Details of the Proposed Amendments and the full text of the New Articles (marked-up against the Articles) are set out in Appendix III to this circular. The proposed adoption of the New Articles is subject to the passing of a special resolution at the AGM. The Proposed Amendments and the New Articles will take effect on the date on which the Proposed Amendments and the proposed adoption of the New Articles are approved by the Shareholders at the AGM.

The legal advisors of the Company have confirmed that the Proposed Amendments conform with the requirements of the Listing Rules and that the Proposed Amendments do not violate the applicable laws of Hong Kong. In addition, the Company confirms that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

5. ANNUAL GENERAL MEETING

A notice of the AGM is set out in Appendix IV to this circular. At the AGM, in addition to the ordinary businesses of the meeting, resolutions will be proposed to approve the general mandates for the issue and buy back by the Company of its own Shares, as well as the adoption of the New Articles. In accordance with the requirements of the Listing Rules, all votes at the AGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.

LETTER FROM THE BOARD

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy and return it to the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM (i.e., at or before 10:00 a.m. on Monday, 28 April 2025 (Hong Kong Time)), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting (as the case may be) should you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the relevant resolutions to be proposed at the AGM.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

7. RECOMMENDATION

The Directors consider that the proposals for (i) granting of general mandates to the Directors to issue and buy back Shares; (ii) re-election of the retiring Director; and (iii) the Proposed Amendments and the adoption of the New Articles are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant ordinary and special resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,
For and on behalf of
Shoucheng Holdings Limited
Zhao Tianyang
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM for approving the Share Buy-back Mandate.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHAREHOLDERS' APPROVAL

All proposed buy-back of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction. The Company's sole listing is on the Stock Exchange.

2. SOURCE OF FUNDS

Buying back of Shares must be funded out of funds legally available for the purpose in accordance with the Articles and the Companies Ordinance. The Companies Ordinance provides that a company may make a payment in respect of a share buy-back out of the company's distributable profits and/or the proceeds of a fresh issue of shares made for the purpose of the buy-back to such extent allowable under the Companies Ordinance.

3. EXERCISE OF THE SHARE BUY-BACK MANDATE

The Shares proposed to be bought back by the Company must be fully paid up. Under the Listing Rules, the total number of shares which a company is authorised to buy back on the Stock Exchange is shares representing up to a maximum of 10% of the total number of Shares (excluding Treasury Shares, if any) in issue as at the date of the resolution granting such general mandate. Exercise in full of the Share Buy-back Mandate, on the basis of 7,284,855,440 Shares in issue as at the Latest Practicable Date and assuming there is no change to the number of Shares in issue prior to the AGM, could result in up to 728,485,544 Shares, which represents 10% of the total number of Shares (excluding Treasury Shares, if any) in issue as at the Latest Practicable Date, being bought back by the Company during the period from the passing of the resolution granting the Share Buy-back Mandate up to the conclusion of the next annual general meeting of the Company or the expiration of the period within the next annual general meeting of the Company as required by the applicable laws of Hong Kong to be held, or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first.

4. REASONS FOR THE BUY-BACK

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from Shareholders to enable the Directors to buy-back Shares on the market. Such buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such buy-back will benefit the Company and the Shareholders.

As stated in the paragraph headed “General Mandates to Issue and Buy Back Shares” in the “Letter from the Board” to this circular, after the aforementioned amendments to the Companies Ordinance come into effect and after the aforementioned amendments to the Articles are approved and adopted by the Shareholders, if the Company buys back any of its Shares pursuant to the Share Buy-back Mandate, the Company may (i) cancel the Shares bought back and/or (ii) hold such Shares bought back in treasury as Treasury Shares, subject to the market conditions and the capital management needs of the Company at the relevant time such buy-back of Shares is made.

To the extent permitted by, and subject to the Company complying with the prevailing requirements of, the Listing Rules, the Companies Ordinance and any other applicable laws and regulations from time to time in force, if there are any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company’s own name as Treasury Shares. These measures may include (i) the Company would not (or would procure its broker not to) give any instructions to HKSCC to vote at general meetings for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, if necessary, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

5. FUNDING OF THE BUY-BACK

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of Hong Kong.

The exercise in full of the Share Buy-back Mandate might have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent published audited accounts for the year ended 31 December 2024. However, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

6. GENERAL

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates has any present intention, in the event that the Share Buy-back Mandate is approved by the Shareholders to sell the Shares to the Company or its Subsidiaries.
- (b) The Directors will exercise the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong. The Company confirms that the explanatory statement set out in this Appendix I contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither the explanatory statement nor the Share Buy-back Mandate has unusual features.
- (c) If on exercise of the power to buy back Shares pursuant to the Share Buy-back Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Shougang Group Co., Ltd. (首鋼集團有限公司, “**Shougang Group**”) and Beijing State-owned Capital Operation and Management Company Limited (北京國有資本運營管理有限公司, “**Beijing State-owned Capital**”), both of which are ultimately owned by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality, through their respective subsidiaries, held approximately 24.95% and 9.99% of the total number of Shares in issue, respectively. In the event that the Share Buy-back Mandate is exercised in full and no further Shares are issued during the proposed buy-back period, the total number of Shares held by Shougang Group and Beijing State-owned Capital, through their respective subsidiaries, will increase to 27.72% and 11.10% of the total number of Shares in issue, respectively, and their aggregate shareholding interests will increase from approximately 34.94% to approximately 38.82% of the total number of Shares in issue. Accordingly, such increased shareholding interests in the Company will give rise to an obligation to make a mandatory offer for the remaining Shares under Rules 26 and 32 of the Takeovers Code. Save as disclosed, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any Shares buy-backs made under the Share Buy-back Mandate. The Directors have no present intention to exercise the power to buy-back Shares pursuant to the Share Buy-back Mandate to the extent that would trigger such obligation.

In the event that the Share Buy-back Mandate is exercised in full, the number of Shares held by the public would not fall below 25%.

- (d) During the six months immediately preceding the Latest Practicable Date, the Company bought back a total of 1,160,000 Shares on the Stock Exchange, details of which are as follows:

Date of Buy-back	Number of Shares Bought back	Price paid per Share	
		Highest HK\$	Lowest HK\$
23 December 2024	370,000	1.01	0.99
27 December 2024	110,000	1.03	1.01
30 December 2024	240,000	1.04	1.02
31 December 2024	440,000	1.06	1.04
	<u>1,160,000</u>		

Save as disclosed above, the Company has not bought back any of its Shares in the six months preceding the Latest Practicable Date.

- (e) No core connected person has notified the Company that he or she has a present intention to sell Shares to the Company, and no core connected person has undertaken not to sell any of the Shares held by him or her to the Company, in the event that the Share Buy-back Mandate is approved by the Shareholders.

- (f) The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2024		
April	1.540	1.320
May	1.500	1.300
June	1.390	1.300
July	1.380	1.240
August	1.350	1.210
September	1.410	1.270
October	1.420	1.020
November	1.140	0.920
December	1.080	0.940
2025		
January	1.070	0.960
February	1.970	0.990
March (up to the Latest Practicable Date)	1.970	1.470

The following are the particulars of the retiring Director proposed to be re-elected at the AGM:

MS. ZHANG QUANLING

Ms. Zhang Quanling, aged 51, was appointed as an Independent Non-executive Director of the Company on 6 January 2018 and is also a member and the chairlady of the Remuneration Committee of the Company and a member of each of the Audit Committee and the Nomination Committee of the Company. She holds a Bachelor degree in Arts. Ms. Zhang joined China Central Television in 1997 and has hosted the famous programmes such as “Oriental Horizon” and “Focus Interview”. She participated in numerous news live coverage and was awarded the “Golden Microphone Awards”, the “Golden Eagle Awards”, the “Fan Changjiang Journalism Award”, the most prestigious journalism award in China, and the 19th “Top Ten Outstanding Chinese Youths”. Ms. Zhang is the founding partner of Ziniu Fund (紫牛基金) and the chairlady of Cool Youth (Tianjin) Culture Communication Co., Ltd. (酷得少年(天津)文化傳播有限公司). She has extensive experience in news media, brand building and strategic planning.

An engagement letter was entered into between Ms. Zhang and the Company for an initial term commencing on 1 January 2020 and ending on 31 December 2020; such appointment being automatically renewed for successive 12-month periods, subject to retirement by rotation and re-election at least once every three years at annual general meetings of the Company in accordance with the Articles. Pursuant to the engagement letter, Ms. Zhang is entitled to a director’s fee as may be from time to time determined by the Board. The director’s fee currently received by Ms. Zhang annually amounts to HK\$480,000. Moreover, Ms. Zhang is entitled to an allowance of HK\$5,000 for attending each Board or committee meeting. Such director’s fee was determined by the Board with reference to Ms. Zhang’s experience and duties as well as the then prevailing market conditions.

Save as disclosed above, Ms. Zhang does not hold any directorships in other Hong Kong or overseas listed public companies in the last three years, does not hold other positions in the Company or its subsidiaries and does not have any relationship with any Directors, senior management of the Company or substantial or controlling Shareholders (as defined in the Listing Rules).

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Ms. Zhang does not have any interests in the Shares.

Save as set out above, there is no other matter regarding the re-election of Ms. Zhang that needs to be brought to the attention of the Shareholders and there is no other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

The following are the proposed amendments to the existing Articles brought about by the adoption of the new Articles. Unless otherwise specified, clauses, paragraphs and article numbers referred to herein are clauses, paragraphs and article numbers of the existing Articles.

Proposed amendments
(showing changes to the existing Articles)

The English version of these Articles of Association shall prevail in case of any discrepancy or inconsistency between the English version and its Chinese translation.

ARTICLES OF ASSOCIATION

(As adopted by a special resolution passed on ~~22nd May, 2015~~^[•], 2025)

OF

SHOUCHENG HOLDINGS LIMITED

首程控股有限公司

~~(formerly known as SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY-~~
~~LIMITED 首長國際企業有限公司)~~

Incorporated the 10th day of September, 1985.

HONG KONG

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

THE COMPANIES ORDINANCE (CHAPTER 622)

Company Limited by Shares

ARTICLES OF ASSOCIATION

(As adopted by a special resolution passed on ~~22nd May, 2015~~^[•], 2025)

OF

SHOUCENG HOLDINGS LIMITED

首程控股有限公司

~~(formerly known as SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY-
LIMITED 首長國際企業有限公司)-~~

Company Name

1. The name of the Company is “SHOUCENG HOLDINGS LIMITED 首程控股有限公司 Company name.
~~SHOUGANG CONCORD INTERNATIONAL ENTERPRISES COMPANY LIMITED 首長國際企業有限公司~~”.

Members' liability

2. The liability of the members is limited. Members' liability.
3. The liability of the members is limited to any amount unpaid on the shares held by the members.

Table A and Model Articles

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

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Interpretation

5. The headings and marginal notes to these Articles shall not be deemed to be part of these Articles and shall not affect their interpretation and in the interpretation of these Articles, unless there is something in the subject or context inconsistent therewith: — Interpretation.
- “associate” shall have the meaning as defined in the Listing Rules; associate.
- “Auditors” shall mean the persons for the time being performing the duties of that office; Auditors.
- “black rainstorm warning” shall have the same meaning as that set out in the Interpretation and General Clauses Ordinance (Chapter 1 of the laws of Hong Kong) as modified from time to time; black rainstorm warning.
- “business day”, save where specified, shall mean a day, other than a Saturday or Sunday or public holiday, on which the Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a black rainstorm warning or a gale warning is in force or other similar event, such day shall for the purposes of these Articles be counted as a business day; business day.
- “call” shall include any instalment of a call; call.
- “capital” shall mean the share capital from time to time of the Company; capital.
- “clearing house” shall mean a recognised clearing house as referred to in the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong) from time to time; clearing house.
- “close associate” shall have the meaning as defined in the Listing Rules; close associate.
- “connected entity” shall have the meaning given by Section 486 of the Companies Ordinance and “connected entities” shall be construed accordingly; connected entity.
connected entities.
- “Directors” shall mean the directors of the Company for the time being, or as the case may be the directors assembled as a Board or a committee of the Board; Director.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

“dividend” shall include scrip dividends, distributions in specie or in kind, capital dividend. distributions and capitalisation issues, if not inconsistent with the subject or context;

“dollars” shall mean dollars in the lawful currency of Hong Kong; dollars.

“electronic communication” shall mean a communication sent by electronic transmission in any form through any medium; electronic communication.

“gale warning” shall have the same meaning as that set out in the Interpretation and General Clauses Ordinance (Chapter 1 of the laws of Hong Kong) as modified from time to time; gale warning.

“Hong Kong” shall mean the Hong Kong Special Administrative Region of the People’s Republic of China; Hong Kong.

“Listing Rules” shall mean the Rules Governing the Listing of Securities on the Stock Exchange from time to time; Listing Rules.

“mental incapacity” shall have the meaning given by Section 2(1) of the Mental Health Ordinance (Chapter 136 of the laws of Hong Kong); mental incapacity.

“mentally incapacitated person” shall mean a person who is found under the Mental Health Ordinance (Chapter 136 of the laws of Hong Kong) to be incapable, by reason of mental incapacity, of managing and administering his or her property and affairs; mentally incapacitated person.

“month” shall mean a calendar month; month.

“newspaper” shall mean a newspaper published daily and circulating generally in Hong Kong and specified in the list of newspapers issued and published in the Gazette for the purposes of Section 203 of the Companies Ordinance by the Chief Secretary; newspaper.

“reporting documents” shall mean the reporting documents set out in Section 357(2) of the Companies Ordinance; reporting documents.

“seal” shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Ordinance; seal.

“Secretary” shall mean the person for the time being performing the duties of that office; Secretary.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

- “share(s)” shall mean share(s) of the Company, unless otherwise provided, including treasury shares; share.
- “shareholders” or “members” shall mean the duly registered holders from time to time of the shares of the Company, excluding any holders of treasury shares of the Company; shareholders.
members.
- “special resolution” shall have the meaning ascribed thereto in Section 564 of the Companies Ordinance; special resolution.
- “Stock Exchange” shall mean The Stock Exchange of Hong Kong Limited; Stock Exchange.
- “the Board” shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors; the Board.
- “the Chairman” shall mean the Chairman presiding at any meeting of members or of the Board; the Chairman.
- “the Companies Ordinance” or “the Ordinance” shall mean the Companies Ordinance (Chapter 622 of the laws of Hong Kong) and any amendments thereto or re-enactment thereof for the time being in force and 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; the Companies Ordinance.
the Ordinance.
- “the Company” or “this Company” shall mean Shoucheng Holdings Limited 首程控股有限公司 ~~Shougang Concord International Enterprises Company Limited 首長國際企業有限公司~~; the Company.
this Company.
- “the register” shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance; the register.
- “these Articles” or “these presents” shall mean these Articles of Association in their present form and all supplementary, amended or substituted articles for the time being in force; these Articles.
these presents.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

“treasury shares” shall have the meaning given by Section 2(1) of the Companies Ordinance; treasury shares.

“virtual meeting technology” shall have the meaning given by Section 547(1) of the virtual meeting
Companies Ordinance; technology.

“writing” or “printing” shall include writing, printing, lithography, photography, typewriting, writing.
facsimile and every other mode of representing words or figures in a legible and non- printing.
transitory form (including an electronic communication);

words denoting the singular shall include the plural and words denoting the plural shall singular
include the singular; and plural.

words importing any gender shall include every gender; and gender.

words importing person shall include partnerships, firms, companies and corporations. persons.
companies.

Where these Articles require notice or document to be or given in writing, any notice or Document sent
document sent by electronic communication by the Company in accordance with these by electronic
Articles shall satisfy such requirement if such notice or document is accessible so as to be communication.
usable for subsequent reference.

Subject as aforesaid, any words or expressions defined in the Ordinance (except any statutory Words in
modification thereof not in force when these Articles become binding on the Company) shall, Ordinance to
if not inconsistent with the subject and/or context, bear the same meaning in these Articles, bear same
save that “company” shall where the context permits include any company incorporated in meaning in
Hong Kong or elsewhere. Articles.

References to any Article by number are to the particular Article of these Articles.

References to a document being executed include references to it being executed under hand
or under seal or by electronic signature or by any other method and references to a notice
or document include a notice or document recorded or stored in any digital, electronic,
electrical, magnetic or other retrievable form or medium and information in visible form
whether having physical substance or not.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Share Capital and Modification of Rights

6. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and 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 by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, subject to Sections 140 and 141 of the Companies Ordinance as the Board may determine) and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, either at the option of the Company or the holder thereof is liable, to be redeemed. The Directors may determine the terms, conditions and manner of redemption of the shares. Provided always that that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares (other than those with the most favourable voting rights) must include the words “restricted voting” or “limited voting”. Issue of shares.
- 6A. The Company may hold any shares it buys back in accordance with the Companies Ordinance as treasury shares. All rights attached to treasury shares are to be regarded as suspended, and any act done in the purported exercise of the rights is void. The Company may at any time (a) cancel any of its treasury shares; and (b) allot, sell or transfer (whether for a consideration) any of its treasury shares to any person, in accordance with the provisions of the Companies Ordinance. For the avoidance of doubt, the Company may hold treasury shares through a nominee as defined in section 272A of the Companies Ordinance, and a reference to holding treasury shares by the Company in these Articles includes the holding of treasury shares by the Company through such a nominee. Treasury shares.
7. The Board may issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine, provided that the Company shall not have power to issue share warrants to bearer. Warrants.
8. (A) Without prejudice to any special rights conferred on the holders of any existing shares, the shares in the original or any increased capital of the Company may, subject to the provisions of the Companies Ordinance, be divided into different classes of shares as the Company may from time to time determine by a special resolution in general meeting. How rights of shares may be modified.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

- (B) All or any of the special rights (unless otherwise provided for in the terms of issue) attached to the shares or any class of the shares (if the capital is divided into different classes of shares) may, subject to the Companies Ordinance and the Listing Rules, be varied or abrogated either with the consent in writing of the holders representing at least 75% of the total unsuspended voting rights of holders of shares of that class (if the capital is divided into different classes of shares) or with the sanction of a special resolution passed at a general meeting of the holders of the shares or at a separate general meeting of the holders of the shares of that class (if the capital is divided into different classes of shares). To every such separate general meeting the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third of the total unsuspended voting rights of holders of shares of that class, and at an adjourned meeting one person holding shares (excluding treasury shares) of that class or his proxy, and that any holder of shares (excluding treasury shares) of the class present in person or by proxy may demand a poll.
- (C) The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.
- (D) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

Shares and Increase of Capital

9. The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other applicable ordinance from time to time to buy back its own shares or warrants (including redeemable shares or other securities convertible into shares which are issued from time to time by the Company) at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a buy-back made or to be made by any person of any shares or warrants in the Company and should the Company buy back its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be bought back rateably or in any other particular manner as between the holders of shares (excluding treasury shares) or warrants of the same class or as between them and the holders of shares (excluding treasury shares) or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares, provided always that any such buy-back or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange and the Securities and Futures Commission of Hong Kong and any other applicable laws, rules and regulations from time to time in force, and provided further that in the case of buy-back of redeemable shares, (i) buy-back not made through the stock market or by tender shall be limited to a maximum price, either generally or with regard to specific buy-back, and (ii) if buy-back are by tenders, tenders shall be available to all members holding redeemable shares of the Company.
10. The Company in general meeting may from time to time, whether or not all the shares for the time being issued have been fully paid up, by ordinary resolution increase its share capital in any one or more of the ways set out in Section 170 of the Companies Ordinance.
11. Without prejudice to any special rights previously conferred upon the holders of existing shares, any new shares shall be issued upon such terms and conditions and with such rights, privileges or restrictions annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.
- Company to finance buy-back of its own shares.
- Power to increase capital.
- On what conditions new shares may be issued.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

12. The Company may, in accordance with the Companies Ordinance, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any other provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same. When to be offered to existing members.
13. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise. New shares to form part of original capital.
14. Subject to the provisions of the Companies Ordinance and the relevant authority given by the Company in general meeting, the Directors may exercise any power of the Company and of these Articles relating to new shares, to allot shares (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, or to grant rights to subscribe for or convert any security into shares of the Company at such times, to such persons, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit. Power of the Board to allot shares and grant rights to subscribe for shares.
15. The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten (10) per cent. of the price at which the shares are issued. Company may pay commission.
16. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Companies Ordinance, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of plant. Power to charge interest to capital.
17. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder. Company not to recognise trusts in respect of shares.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Register of Members and Share Certificates

18. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance. Share register.
- (B) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.
19. Every person whose name is entered as a member in the register shall be entitled (for the avoidance of doubt, excluding a holder of treasury shares whose name is entered in the register) (except in relation to replacement certificate) without payment to receive within the relevant time limit as prescribed in the Companies Ordinance or as the Stock Exchange may from time to time determine, whichever is the shorter, after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, in the case of a transfer, of such sum as may from time to time be permitted under the rules prescribed by the Stock Exchange for every certificate after the first or such lesser sum as the Board shall from time to time determine, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. Share certificates.
20. Every certificate for shares or warrants or debentures or representing any other form of securities of the Company must (a) have affixed to it the Company's common seal or the Company's official seal under Section 126 of the Companies Ordinance, or (b) be otherwise executed in accordance with the Ordinance. How share certificates to be executed.
21. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued, any distinguishing numbers assigned to them and may otherwise be in such form as the Board may from time to time prescribe. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section 179 of the Ordinance. A share certificate shall relate to only one class of shares. Every certificate to specify number and class of shares.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

22. (A) The Company shall not be bound to register more than four persons as joint holders of any share. Joint holders.
- (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.
- (C) 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.
23. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such sum, as may from time to time be permitted under the rules prescribed by the Stock Exchange, and on such terms and conditions, if any, as to publication of notices, evidence and indemnity as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity. Replacement of share certificates.

Lien

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

25. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, or until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, mental incapacity or bankruptcy or winding-up to the shares. Sale of shares subject to lien.
26. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. Application of proceeds of such sale.

Calls on Shares

27. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. A call may be revoked or postponed as the Board may determine. Calls.
Instalments.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

28. Fourteen (14) days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid. Notice of call.
29. A copy of the notice referred to in Article 28 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided. Copy of notice to be sent to members.
30. In addition to the giving of notice in accordance with Article 29, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may, if required by any applicable laws, rules or regulations, or determined by the Board to be appropriate, be given to the members by notice to be inserted in newspaper, or published by such other means and/or such other forms in accordance with the relevant requirements under the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the Listing Rules or any other rules prescribed by the Stock Exchange from time to time, if so required. Notice of call may be advertised.
31. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of shares in respect of which the call was made. Every member liable to pay call at appointed time and place.
32. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. When call deemed to have been made.
33. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof. Liability of joint holders.
34. The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as regards all or any of the members, whom from residence outside Hong Kong or other cause the Board may deem entitled to any such extension but no member shall be entitled to any such extension except as a matter of grace and favour. Board may extend time fixed for call.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

35. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty (20) per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part. Interest on unpaid calls.
36. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally, or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid. Suspension of privileges while call unpaid.
37. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution of the Board making the call is duly recorded in the minute book of the Board; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Evidence in action for call.
38. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment. Sums payable on allotment deemed a call.
39. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) as the Board may decide, provided that not until a call is made any payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Payment of calls in advance.

Transfer of Shares

40. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept provided that such form is consistent with the standard form of transfer as prescribed by the Stock Exchange. If the transferor or the transferee is a clearing house or its nominee(s), or otherwise, the Board may resolve, either generally or in any particular case or cases, (subject to such conditions as it may think fit), to accept machine imprinted, mechanically produced or other forms of signatures of the transferor or the transferee as the valid signature(s) of the transferor or the transferee, as the case may be. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint. Form of transfer.
41. The instrument of transfer of any share shall be executed by or on behalf of the transferor and by or on behalf of the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person. Execution of transfer.
42. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien. Board may refuse to register a transfer.
43. The Board may also decline to recognise any instrument of transfer unless: — Requirements as to transfer.
- (i) a fee of HK\$2.50 (or such higher amount as may from time to time be permitted under the rules prescribed by the Stock Exchange) or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
 - (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and/or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (iii) the instrument of transfer is in respect of only one class of share;
 - (iv) the shares concerned are free of any lien in favour of the Company; and
 - (v) the instrument of transfer is properly stamped.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

44. No transfer of share shall be made to an infant or to a mentally incapacitated person or under other legal disability. No transfer to an infant etc.
45. If the Board shall refuse to register a transfer of any share: Notice of refusal.
- (i) the transferor or transferee may request a statement of the reasons for the refusal; and
- (ii) the instrument of transfer must be returned to the transferor or transferee who lodged it unless the Board suspects that the proposed transfer may be fraudulent.
- 45A. The instrument of transfer must be returned in accordance with Article 45(ii) together with a notice of refusal within 2 months after the date on which the instrument of transfer was lodged with the Company.
- 45B. If a request is made under Article 45(i), the Directors must, within 28 days after receiving the request:
- (i) send the transferor or transferee who made the request a statement of the reasons for the refusal; or
- (ii) register the transfer.
46. Upon every transfer of shares the certificate held by the transferor (if any) shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him (except in respect of shares bought back by the Company and held as treasury shares), and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the instrument of transfer. Certificate to be given up on transfer.
47. Subject to the Ordinance, the registration of transfers may be suspended and the register closed at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares, provided always that such registration shall not be suspended or the register closed for more than thirty days in any year or, with the approval of the Company in general meeting, sixty days in any year. When transfer books and register may be closed.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Transmission of Shares

48. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him. Death of registered holder or of joint holder of shares.
49. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, 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. Registration of personal representatives and trustees in bankruptcy.
50. 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 his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these presents 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, bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member. Notice of election to be registered.

Registration of nominee.
51. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up 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. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 80 being met, such a person may vote at meetings. Retention of dividends, etc., until transfer or transmission of shares of a deceased or bankrupt member.

Forfeiture of Shares

52. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 36, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. If call or instalment not paid notice may be given.
53. The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited. Form of notice.
54. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender. If notice not complied with shares may be forfeited.
55. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, cancelled or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board thinks fit. Forfeited shares to become property of Company.
56. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty (20) per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, shall notwithstanding that that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment. Arrears to be paid notwithstanding forfeiture.

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57. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. Evidence of forfeiture and transfer of forfeited share.
58. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry. Notice after forfeiture.
59. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, cancelled, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the shares so forfeited to be bought back or redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the shares, and upon such further terms (if any) as it thinks fit. Power to redeem forfeited shares.
60. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon. Forfeiture not to prejudice Company's right to call or instalment.
61. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, as if the same had been payable by virtue of a call duly made and notified. Forfeiture for nonpayment of any sum due on shares.

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Alteration of Capital

62. (A) The Company may from time to time by ordinary resolution alter its share capital in any one or more of the ways set out in Section 170 of the Companies Ordinance, including but not limited to: —
- Consolidation and division of shares and sub-division and cancellation of shares.
- (i) consolidate its shares or any of them into shares of a smaller number of shares; on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
 - (ii) 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 or that have been forfeited; and
 - (iii) sub-divide its shares or any of them into shares of a larger number of shares, subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to new shares.
- (B) The Company may by special resolution reduce its share capital in any manner authorised and subject to any conditions prescribed by law.
- Reduction of capital.

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General Meetings

63. The Company shall, when so required by the Ordinance, in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it. The annual general meeting shall be held at such time ~~and place~~ as the Board shall appoint; and may be held in any of the modes permitted under Section 583A of the Companies Ordinance ~~at two or more places using any technology that enables the members who are not together at the same place to listen, speak and vote at the meeting.~~ When annual general meeting to be held.
64. General meetings include other meetings of members which are not annual general meetings. Other general meetings.
65. The Board may, whenever it thinks fit, convene a general meeting, and general meetings shall also be convened on requisition, as provided by the Companies Ordinance, or, in default, may be convened by the requisitionists. Convening of general meetings.
66. An annual general meeting shall be called by twenty-one (21) days' notice in writing at the least (or such longer period as may be required by the Listing Rules), and a general meeting of the Company other than an annual general meeting shall be called by at least fourteen (14) days' notice in writing (or such longer period as may be required by the Listing Rules). The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify ~~the place~~ the physical venue(s) of the meeting and/or the virtual meeting technology to be used for holding the meeting (as applicable) (and if two or more physical venues are specified ~~if the meeting is to be held in two or more places~~, the principal ~~place~~ venue of the meeting and the other venue or venues ~~place or places~~ of the meeting), the day and the time of meeting and ~~the general nature of the business to be dealt with at the meeting~~, 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 these Articles, entitled to receive such notices from the Company, provided that subject to the provisions of the Companies Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed: —
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

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- (ii) in the case of any other general 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 (95) per cent. of the total unsuspended voting rights at the meeting of all the members.

Notwithstanding any contrary provisions in these Articles, the Directors shall have the power to provide in every notice calling a general meeting that if a black rainstorm warning or a gale warning is in force at a specific time on the day of the general meeting as specified in such notice, the general meeting will not be held on that day (the “Scheduled Meeting Day”) but will, without further notice be automatically postponed and by virtue of that same notice, be held instead at a time on an alternative day (as specified in such notice) that falls within fourteen (14) business days of the Scheduled Meeting Day. It shall not be a ground of objection to the validity of such notice that the notice calls a general meeting contingently on whether a black rainstorm warning or a gale warning is in force at the relevant time as specified in such notice.

- 67. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting. Omission to give notice.
- (B) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Proceedings at General Meetings

- 68. Subject to Section 585(1) of the Companies Ordinance, for all purposes the quorum for a general meeting shall be two members present in person or by proxy. No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business. Quorum.

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69. The Board may, at its absolute discretion, arrange for members to attend a general meeting in any of the modes permitted under Section 583A of the Companies Ordinance. If a general meeting is held at 2 or more physical venues (whether or not by using the virtual meeting technology specified in the notice of the meeting), the Company must use any technology that allows the members who are not together at the same physical venue to listen, speak and vote at the meeting. by simultaneous attendance and participation at meeting location(s) using electronic means at such location or locations in any part of the world as the Board may, at its absolute discretion, designate. The members present in person or by proxy at the meeting location(s)venue(s) and members who attend a general meeting by using the virtual meeting technology specified in the notice of the meeting shall be counted in the quorum for, and entitled to vote at, the subject general meeting, and that meeting shall be duly constituted and its proceedings valid, provided that the Chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that members attending at all the meeting locations are able to hear all those persons present and speak at the principal meeting location and at any other meeting location held by electronic means and be heard by all other persons in the same way. The Chairman of the meeting shall be present at, and the meeting shall be deemed to take place at, the principal meeting location.
- Holding of meeting at two or more locations in any modes permitted under the Ordinance.
70. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the request of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place mode as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person or by proxy shall be a quorum and may transact the business for which the meeting was called.
- When if quorum not present meeting to be dissolved and when to be adjourned.
71. The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman or the Vice-chairman (if any) shall take the chair at every general meeting, or, if there is no such Chairman or Deputy Chairman or Vice-chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman or Vice-chairman is present within fifteen minutes after the time appointed for holding such meeting, or such persons decline to take the chair at such meeting, any Director so elected by a majority of the Directors present at the commencement of the meeting shall take the chair at such meeting, and if no Director is present within fifteen minutes after the time appointed for holding such meeting or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the members present in person or by proxy shall choose one of their own number to be Chairman.
- Chairman of general meeting.

The Chairman of a general meeting shall, for the purpose of conducting the meeting in an orderly manner, have power to take all such steps and actions as he deems appropriate to maintain order during the meeting.

72. The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time to be held at such modes ~~and from place to place~~ as the meeting shall determine. Whenever a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice, specifying the ~~place~~mode, the day and the time of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
73. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is (1) required by the Listing Rules, except where the Chairman of the meeting, in good faith and in compliance with the Listing Rules, decides to allow such resolution to be voted on by a show of hands, or (2) (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded: —
- (i) by the Chairman of the meeting; or
- (ii) by at least five members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by proxy and representing not less than 5 per cent. of the total unsuspended voting rights of all the members having the right to vote at the meeting.

Power to adjourn general meeting, business of adjourned meeting.

What is to be evidence of the passing of a resolution where poll not demanded.

Unless a poll be so required or demanded as aforesaid, and in the latter case, not withdrawn, 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 or against such resolution.

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74. If a poll is demanded as aforesaid, it shall (subject as provided in Article 75) be taken in such manner (including the use of ballot or voting papers or tickets or virtual meeting technology) and at such time and ~~place~~mode, not being more than thirty (30) days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice needs to be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier. Poll.
75. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment. In what case poll taken without adjournment.
76. 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 required or demanded, shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive. Chairman to have casting vote.
77. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. Business may proceed notwithstanding demand for poll.
78. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members. Written resolution of members.

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Votes of Members

79. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative duly authorised under Sections 606, 607 and 623 of the Companies Ordinance or by proxy shall have one vote. If a member appoints more than one proxy, none of the proxies so appointed shall be entitled to vote on the resolution on a show of hands. On a poll every member present in person or by proxy or (being a corporation) by its duly authorised representative or proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes (whether on a show of hands or a poll) may be cast by such means, electronic or otherwise, as the Directors or the Chairman of the meeting may determine. Votes of members.
80. Any person entitled under Article 49 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of deceased and bankrupt members.
81. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof. Joint holders.

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82. A member who is a mentally incapacitated person 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. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place or sent by electronic means to any electronic address as is specified in accordance with these Articles for the deposit of instruments of proxy, not later than the last time at which a valid instrument of proxy could be so delivered. Votes of mentally incapacitated members.
83. (A) Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting. Qualification for voting.
- (B) 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, whose decision shall be final and conclusive. Objections to votes.
- (C) Notwithstanding anything contained in these Articles, where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted, but such shareholder or its proxy or its duly authorised representative shall be counted in the quorum at the meeting. Validity of votes.
84. Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by duly authorised representative or by proxy. A proxy need not be a member of the Company. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. Proxies.

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85. (A) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Instrument appointing proxy to be in writing.
- (B) The Company may, at its absolute discretion, designate from time to time an electronic address for the receipt of any document or information relating to proxies for a meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy and notice of termination of the authority of a proxy). If any document or information required to be sent to the Company under this Article is sent to the Company by electronic communication, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information. Delivery or deposit of appointment of proxy by electronic communication.
86. 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 or sent by electronic means to any electronic address as is specified in the notice of meeting or in the instrument of proxy issued by the Company or by such other means as the Board may determine as permitted under the Companies Ordinance (a) for a general meeting or adjourned general meeting, at least 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be); and (b) for a poll taken more than 48 hours after it was demanded, at least 24 hours before the time appointed for taking the poll, and in default the instrument of proxy shall not be treated as valid. In calculating the periods mentioned in this Article, no account is to be taken of any part of a day that is a public holiday. Only documents actually received by the Company shall be taken into account by the Company. No instrument appointing a proxy shall be valid after expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. Appointment of proxy must be deposited.
87. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve. Form of proxy.

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88. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit provided that any form issued to a member for use by him for appointing a proxy to attend and vote at a general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
89. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or mental incapacity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental incapacity, revocation or transfer as aforesaid shall have been received by the Company, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used. In calculating the periods mentioned in this Article, no account is to be taken of any part of a day that is a public holiday. Only such intimation in writing actually received by the Company shall be taken into account by the Company.
90. Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise as if it were an individual member of the Company. References in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.
- 90A. If a clearing house (or its nominee(s)), being a corporation, is a member of the Company, it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. Each person so authorised under this provision shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).
- Authority under instrument appointing proxy.
- When vote by proxy valid though authority revoked.
- Corporation acting by representative at meetings.
- Clearing house acting by representative(s) at meetings.

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Registered Office

91. The registered office of the Company shall be at such place in Hong Kong as the Board shall from time to time appoint. Registered office.

Board of Directors

92. The number of Directors shall not be less than two (2). The Board shall cause to be kept a register of Directors and a register of Secretaries, and there shall be entered therein the particulars required by the Companies Ordinance. Constitution of Board.
93. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company who shall then be eligible for re-election at such annual general meeting but shall not be taken into account in determining the number of Directors who are subject to retirement by rotation or the number of Directors who are to retire by rotation under Article 102(A) at such annual general meeting. Board may fill vacancies.
- 94A. (A) A Director may at any time, by notice in writing signed by him delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved. Alternate Directors.
- (B) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.

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- (C) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents 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 his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. Section 478(1) of the Companies Ordinance shall not apply to an alternate Director appointed pursuant to these Articles.
- (D) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- 94B. In addition to the provisions of Article 94A, a Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him, in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 84 to 89 shall apply *mutatis mutandis* to the appointment of proxies by Directors save that an instrument appointing a proxy shall not become invalid after the expiration of twelve (12) months from its date of execution but shall remain valid for such period as the instrument shall provide or, if no such provision is made in the instrument, until revoked in writing and save also that a Director may appoint any number of proxies although only one such proxy may attend in his stead at meetings of the Board (or of any committee of the Board).
- Appointment of a proxy by a Director.

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95. A Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and of any class of members of the Company. No qualification shares for Directors.
96. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees. Directors' remuneration.
97. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors. Directors' expenses.
98. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged. Special remuneration.
99. Notwithstanding Articles 96, 97 and 98, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director. Remuneration of Managing Directors, etc.

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100. (A) A Director shall vacate his office: —

When office
of Director
to be vacated.

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a mentally incapacitated person;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Companies Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32 of the laws of Hong Kong) or is otherwise prohibited from being a Director by law;
- (v) if by notice in writing delivered to the Company at its registered office he resigns his office;
- (vi) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors; or
- (vii) if he shall be removed from office by an ordinary resolution of the Company under Article 108.

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

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101. (A) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article. Director's interest.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- (C) A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and, subject to the Ordinance, shall not be liable to account to the Company or the members for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.
- (D) A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms thereof, or the termination thereof).
- (E) Subject to the Listing Rules, where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof) and except (in the case of an office or place of profit with any such other company as aforesaid) where the other company is a company in which the Director and/or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) own 5 per cent. or more in aggregate (as defined in paragraph (I) of this Article).

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- (F) Subject to the Ordinance and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified from his office by contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement 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 or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
- (G) A Director or any of his connected entities or associates who is in anyway, whether directly or indirectly, interested in a transaction, contract or arrangement (or a proposed transaction, contract or arrangement) with the Company that is significant in relation to the Company's business shall declare the nature and extent of his interest (or the connected entity's or associate's interest, as the case may be) at the meeting of the Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration, or in any other case as soon as is reasonably practicable, and in any event at the first meeting of the Board after he knows that he is or has become so interested. Such declaration shall be made in accordance with the Ordinance. For this purpose, a general notice to the Board by a Director to the effect that: —
- (i) he (or his connected entity or associate) has an interest (as a member, officer, employee or otherwise) in a specified company or firm (with such notice to specify the nature and extent of the Director's interest) and is to be regarded as interested in any transaction, contract or arrangement which may after the date of the notice be made with that company or firm; or
 - (ii) he (or his connected entity or associate) is to be regarded as interested in any transaction, contract or arrangement which may after the date of the notice be made with a specified person who is connected (as such term is defined in the Ordinance) with him (with such notice to specify the nature of the Director's connection),

shall be deemed to be a sufficient declaration of interest in relation to any such transaction, contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or it is in writing and sent to the Company, and the Director takes reasonable steps to ensure that it is brought up and read at the next Board meeting after it is given.

- (H) Subject to the Listing Rules and save as otherwise provided by the Articles, a Director shall not vote (or be counted in the quorum at a meeting) on any resolution of the Board in respect of any transaction, contract or arrangement or any other proposal in which he or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) has a material interest, but this prohibition shall not apply to any of the following matters: —
- (i) the giving of any security or indemnity either: —
- (a) to the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are or may be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal or arrangement concerning any other company in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his close associate(s) (and other associate(s), as the case may be) is/are beneficially interested in shares of that company, provided that the Director and/or any of his close associate(s) (and other associate(s), as the case may be) are not in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of his close associate(s) (and other associate(s), as the case may be) is derived) or of the voting rights;

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- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including: —
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their close associate(s) (and if required by the Listing Rules, their other associate(s)) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) (and other associate(s), as the case may be), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
 - (v) any contract or arrangement in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (I) A company shall be deemed to be a company in which a Director is interested, where such Director, together with any of his close associates (and if required by the Listing Rules, his other associates) own 5 per cent. or more if he and/or any of his close associate(s) are (either directly or indirectly) the holder(s) of or beneficially interested in 5 per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his close associate(s) (and other associate(s), as the case may be) as bare or custodian trustee in which he has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his close associate(s) (and other associate(s), as the case may be) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his close associate(s) (and other associate(s), as the case may be) is/are interested only as a unit holder.

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- (J) Where a company in which a Director and/or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) own 5 per cent. or more in aggregate (as defined in paragraph (I) of this Article) is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- (K) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his close associate(s) (and if required by the Listing Rules, his other associate(s)) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or his close associate(s) (and other associate(s), as the case may be) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his close associate(s) (and other associate(s), as the case may be) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or his close associate(s) (and other associate(s), as the case may be), such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his close associate(s) (and other associate(s), as the case may be) as known to such chairman has not been fairly disclosed to the Board. For the purposes of this paragraph and in relation to an alternate Director, an interest of his appointor or his close associate(s) (and other associate(s), as the case may be) shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.
- (L) The Company may by ordinary resolution ratify any transaction, contract or arrangement not duly authorised by reason of a contravention of this Article provided that no Director or any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) having a material interest in such transaction, contract or arrangement shall vote upon such ordinary resolution.

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Rotation of Directors

102. (A) Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. At each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election and each of the retiring Directors shall continue to act as a Director throughout the meeting at which he retires. Rotation and retirement of Directors.
- (B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors. Meeting to fill up vacancies.
103. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless: — Retiring Directors to remain in office till successors appointed.
- (i) it shall be determined at such meeting to reduce the number of Directors; or
- (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
- (iii) in any such case the resolution for re-election of a Director is put to the meeting and lost.
104. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two. Power of general meeting to increase or reduce number of Directors.
105. The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. Appointment of Directors.

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106. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless a shareholder shall have given a notice in writing of the intention to propose that person for election as a Director and also a notice in writing by that person of his willingness to be elected shall be given to the Company at least seven (7) days before the date of general meeting. Such period for lodgment of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting. Notice to be given when person proposed for election.
107. The Company shall keep in accordance with the Ordinance a register containing particulars of its Directors as required by the Companies Ordinance and shall from time to time notify to the Registrar of Companies any change that takes place in such Directors as required by the Companies Ordinance. Register of Directors and notification of changes to Registrar.
108. Subject to the Ordinance, the Company may by an ordinary resolution remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last appointed a Director. Power to remove Director by ordinary resolution.

Borrowing Powers

109. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof. Power to borrow.
110. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, subject to the provisions of applicable laws, rules and regulations by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Conditions on which money may be borrowed.
111. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Assignment.

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112. Any debentures, debenture stock, bonds or other securities may be issued at any price or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise. Special privileges.
113. (A) The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Ordinance in regard to the registration of mortgages and charges therein specified and otherwise. Register of charges to be kept.
- (B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures in accordance with the provisions of the Companies Ordinance. Register of debentures or debenture stock.
114. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge. Mortgage of uncalled capital.

Managing Directors, etc.

115. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 99. Power to appoint Managing Directors, etc.
116. Every Director appointed to an office under Article 115 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company be liable to be dismissed or removed therefrom by the Board. Removal of Managing Director, etc.
117. A Director appointed to an office under Article 115 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause. Cessation of appointment.

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118. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby. Powers may be delegated.

Management

119. (A) The management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by any applicable laws, rules and regulations expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. General powers of Company vested in Board.
- (B) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers: —
- (i) subject to Section 141 of the Companies Ordinance, to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at any price as may be agreed; and
 - (ii) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

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Managers

120. The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company. Appointment and remuneration of managers.
121. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit. Tenure of office and powers.
122. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company. Terms and conditions of appointment.

Chairman

123. The Board may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman or Vice-Chairman (as the case may be) and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman or Vice-Chairman (as the case may be) shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman or Vice-Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman or Vice-Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their members to be Chairman of such meeting. Chairman.

Proceedings of the Directors

124. The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. The Board or any committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other. Meeting of the Board quorum, etc.

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125. A Director may, and on request of a Director, the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by other forms of electronic communication to the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective. Convening of Board meeting.
126. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote (except in the case where the Chairman is not permitted to vote or be counted in quorum of any meeting of the Board). How questions to be decided.
127. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally. Powers of meeting.
128. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board. Power to appoint committee and to delegate.
129. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company. Acts of committee to be of same effect as acts of Board.
130. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto unless they are replaced by any regulations imposed by the Board pursuant to Article 128. Proceedings of committee.
131. All acts *bona fide* done by any meeting of the Board or by any such committee or by any person acting as a Director shall be as valid, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were not qualified to hold or disqualified from holding or had ceased to hold office as a Director or persons acting as aforesaid or that they or any of them were not entitled to vote on the matter in question. When acts of Board or committee to be valid notwithstanding defects.

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132. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose. Directors' powers when vacancies exist.
133. A resolution in writing signed by ~~all~~ a majority of the Directors except such as are ~~absent from Hong Kong or~~ temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Article 124) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held subject to due compliance with the Companies Ordinance, all applicable laws, rules and regulations including, without limitation, the Listing Rules or any other rules prescribed by the Stock Exchange from time to time. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors. Resolution in writing of Directors.

Minutes

134. (A) The Board shall cause minutes to be made of: — Minutes of proceedings of meetings and Directors.
- (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 128; and
 - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

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Secretary

135. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Companies Ordinance or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised. Appointment of Secretary.
136. The Secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong. Residence.
137. A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary. Same person not to act in two capacities at once.

General Management and Use of the Seal

138. (A) (i) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by any two members of the Board or any two persons appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine). Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given. Custody of seal.
- (ii) Notwithstanding Article 138(A)(i), the Company may execute a document as a deed in any other manner as may be permitted by law.

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- (B) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section 126 of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document and any such certificates or other document to which such official seal is affixed shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Companies Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid. Official seal.
- (C) Any document executed in accordance with Section 127(3) of the Companies Ordinance and expressed (in whatever words) to be executed by the Company shall have the same effect as if it has been executed under seal.
139. 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, indorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine. Cheques and banking arrangements.
140. (A) The Board may from time to time and at any time, by power of attorney under the seal or executed as a deed, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Power to appoint attorney.

- (B) The Company may, by writing under its seal or executed as a deed, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed executed by such attorney on behalf of the Company and under his seal or executed as a deed shall bind the Company and have the same effect as if it were under the seal of, or executed as a deed by, the Company. Execution of deeds by attorney.
141. The Board may establish any committees, 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 committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby. Local boards.
142. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory retirement benefits or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, retirement benefits, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the spouses, widows or widowers, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, retirement benefits, allowance or emolument. Power to establish pension funds.

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Capitalisation of Reserves

143. (A) To the extent as permitted under the Companies Ordinance, the Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on the condition that the same will not be paid in cash but will 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 shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid or otherwise to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other. Power to capitalise.
- (B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may determine that cash payments shall be made to any members in respect of fractional entitlements or that fractions of such value (as the Board may determine) may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the members concerned. The provisions of the Companies Ordinance in relation to the filing of contracts for allotment shall be observed and the Board may appoint any person to sign on behalf of the persons entitled to shares in a capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised. Effect of resolution to capitalise.

Dividends and Reserves

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

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145. (A) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide* the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights. Board's power to pay interim dividends.
- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
146. No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest. Dividends not to be paid out of capital.
147. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares or other securities of the Company or any other company, or in any one or more of such ways, with or without offering any rights to shareholders to elect to receive such dividend in cash, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may determine that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the members concerned, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective. Dividend in specie.

148. (A) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve: — Scrip dividends.

- either*
- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply: —
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
 - (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board may determine to capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account) as the Board may determine, a sum equal to the aggregate amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

- or*
- (ii) that shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply: —
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
 - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board may determine to capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account) as the Board may determine, a sum equal to the aggregate amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.
- (B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation: —
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or

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- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) or (ii) of paragraph (A) of this Article in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Article shall rank for participation in such distribution, bonus or rights.

- (C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (D) The Company may upon the recommendation of the Board resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers the costs or expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or acceptable of such offer out of proportion to the benefit of the Company and in such event the provisions aforesaid shall be read and construed subject to such determination.

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149. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend. Reserves.
150. 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 up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share. Dividends to be paid in proportion to paid up capital.
151. (A) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends etc.
- (B) The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise. Deduction of debts.
152. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call. Dividend and call together.
153. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer. Effect of transfer.
154. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. Receipt for dividends by joint holders of share.

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155. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Payment by post.
156. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company. Unclaimed dividend.
157. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares on a particular date or at a point of time on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall *mutatis mutandis* apply to bonuses, capitalisation issue, distributions of realised capital profits or offers or grants made by the Company to the members. Record dates.

Untraceable Members

158. Without prejudice to the rights of the Company under Article 156 and the provisions of Article 159, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. Company may cease sending dividend warrants.

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159. The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a member who is untraceable, but no such sale shall be made unless: —
- Company
may sell
shares of
untraceable
members.
- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;
 - (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
 - (iii) the Company has caused an advertisement to be inserted in English in an English language newspaper and in Chinese in a Chinese language newspaper or published by such means and/or such form in accordance with all applicable laws, rules and regulations giving notice of its intention to sell such shares and has notified the Stock Exchange of such intention and a period of three months has elapsed since the date of such advertisement.

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

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

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Distribution of Realised Capital Profits

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

Annual Returns

161. The Board shall make the requisite annual returns in accordance with the Companies Ordinance.
- Annual returns.

Accounting Records

162. The Board shall ensure that accounting records shall be kept as provided for in Section 373(2) and (3) of the Companies Ordinance.
- Accounts to be kept.
163. The accounting records shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.
- Where accounts to be kept.
164. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounting records of the Company, or any of them, shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any accounting records or document of the Company except as conferred by the Companies Ordinance or authorised by the Board or by the Company in general meeting.
- Inspection by members.
165. (A) The Board shall from time to time in accordance with the provisions of all applicable laws, rules and regulations cause to be prepared and laid before the Company at its annual general meeting the reporting documents. The Board may also cause to be prepared any other financial documents (including but without limitation any summary financial report) as the Board thinks fit.
- Annual financial statements.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

- (B) Every statement of financial position that forms part of any financial statements of the Company shall be signed pursuant to the provisions of the Companies Ordinance.
- (C) Subject to paragraph (D) of this Article, copies of the relevant reporting documents (or a copy of the summary financial report in place of a copy of those documents from which the report is derived) together with any other reports as may be required by the Companies Ordinance shall, not less than twenty-one (21) days before the date of the meeting, be sent to every member of the Company and other person so entitled. However, this Article shall not require copies 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.
- (D) Where any member of the Company and other person so entitled has, in accordance with the Companies Ordinance and other applicable laws, rules and regulations binding on the Company from time to time, consented to treat the publication of the relevant reporting documents and/or the summary financial report and/or any other reports on the Company's computer network (including the Company's website) or in any other permitted manner (including sending by any form of electronic communication) as discharging the Company's obligations under the Companies Ordinance to send copies of the relevant reporting documents and/or the summary financial report and/or such reports, then subject to compliance with the publication and notification requirements of all applicable laws, rules and regulations from time to time, by the Company on the Company's computer network (including the Company's website) or in any other permitted manner (including sending by any form of electronic communication) of the relevant reporting documents and/or the summary financial report of the Company at least twenty-one (21) days before the date of the meeting shall, in relation to each such member of the Company and other person so entitled, be deemed to discharge the Company's obligations under paragraph (C) of this Article.
- (E) For the purpose of this Article, "reporting documents" and "summary financial report" shall have the meaning ascribed to them in the Companies Ordinance.

Audit

166. Auditors shall be appointed and their duties regulated in accordance with the provisions of Auditors. the Companies Ordinance and the Listing Rules.

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167. Subject as otherwise provided by the Companies Ordinance, the remuneration of the Auditors shall be fixed by the Company in general meeting provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remunerations to the Board. Remuneration of Auditors.
168. Every set of financial statements audited by the Company's Auditors and presented by the Board at an annual general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three (3) months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the set of financial statements amended in respect of the error shall be conclusive. When accounts to be deemed finally settled.

Notices

169. (A) Any notice or document to be given or issued by or on behalf of the Company to any entitled person under these Articles or the Companies Ordinance, the Listing Rules and other applicable laws, rules and regulations (including any "corporate communication" within the meaning of the Listing Rules) shall be in writing, and may, subject to and to the extent not prohibited by and in accordance with the Companies Ordinance, the Listing Rules and other applicable laws, rules and regulations, be served by the Company on or sent or delivered to any member or other entitled person either: Service of notices.
- (i) personally;
 - (ii) by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register (or in the case of any other entitled person, to such address as he may provide to the Company for that purpose);
 - (iii) by delivering or leaving it at such address as aforesaid;
 - (iv) by advertisement in English in an English language newspaper and in Chinese in a Chinese language newspaper;
 - (v) by sending it in accordance with applicable legislation and the Listing Rules as an electronic communication to the member or the entitled person at his electronic address as he may provide to the Company;
 - (vi) by publishing it in accordance with applicable legislation and the Listing Rules on the Company's computer network (including the Company's website); or

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- (vii) by any other means permitted by applicable legislation and the Listing Rules.
- (B) In the case of sending notices or other documents by electronic communication under this Article, the Board may make it subject to such terms and conditions as it shall in its absolute discretion consider appropriate in the circumstances.
- (C) In the case of joint holders of a share, all notices or documents shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.
- (D) Any notice or document (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) to be given or issued under these Articles may be either in English language or Chinese language only or in both English language and Chinese language, subject to due compliance with the Ordinance and other applicable laws, rules and regulations including, without limitation, the Listing Rules or any other rules prescribed by the Stock Exchange from time to time.
170. A member shall be entitled to have notices served on him at any address within Hong Kong. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who does not notify the Company of an address in Hong Kong may notify the Company of an address outside Hong Kong and the Company may serve notices on him at such overseas address. In the absence of notification by a member of an address in or outside of Hong Kong for the purpose of service of notice, notices to such member shall be sent to such member’s address as shown in the Company’s register of members. A member ceases to be entitled to receive notices from the Company if the Company sends two consecutive documents to the member over a period of at least twelve months and each of those documents is returned undelivered, or the Company receives notification that it has not been delivered. A member who has ceased to be entitled to receive notices from the Company becomes entitled to receive those notices again by sending the Company an address to be recorded in the register of members or if the member has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively. Members out of Hong Kong.
171. Any notice or document (including any “corporate communication” within the meaning of the Listing Rules) given or issued by or on behalf of the Company: When notice deemed to be served.
- (i) if served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery;

- (ii) if sent by post, shall be deemed to have been served, received or delivered on the second business day (as defined in Part 18 of the Companies Ordinance) following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid (and in the case of an address outside Hong Kong where airmail service can be extended thereto, airmail postage prepaid), addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and put into such post office shall be conclusive evidence thereof;
- (iii) if not sent by post but left by the Company at the registered address of a member or at the address (other than an address for the purposes of electronic communications) notified to the Company in accordance with these Articles, shall be deemed to have been served, received or delivered on the day it was so left;
- (iv) if published by advertisement in newspapers, shall be deemed to have been served, received or delivered on the day on which the notice or document is first published in newspapers;
- (v) if sent as an electronic communication (other than by making it available on the Company's website), shall be deemed to have been served, received or delivered when it had been so sent, or if later, at the time as prescribed by the Ordinance and other applicable laws, rules and regulations;
- (vi) if published on the Company's computer network (including the Company's website), shall be deemed to have been served, received or delivered on the later of (a) the time when it is so published, (b) the time that a notification of such publication is given by the Company, or (c) at the time as prescribed by the Ordinance and other applicable laws, rules and regulations; and
- (vii) if served, sent or delivered by any other means authorised in writing by the member or the entitled person concerned, shall be deemed to have been served, received or delivered when the Company has carried out the action it has been authorised to take for that purpose.

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

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

172. A notice or document may be given by or on behalf of the Company to the person entitled to a share in consequence of the death, mental incapacity or bankruptcy of a member in such manner as provide in these Articles in which the same might have been given if the death, mental incapacity or bankruptcy had not occurred. Service of notice to persons entitled on death, mental incapacity or bankruptcy of a member.
173. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share. Transferee to be bound by prior notices.
174. Any notice or document delivered or sent to any member as provided in these Articles in pursuance of these presents, shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares. Notice valid though member deceased or bankrupt.
175. The signature to any notice or document to be given by the Company may be written, printed or made electronically. How notice to be signed.

Information

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

Destruction of Documents

177. The Company may destroy: — Destruction of documents.
- (i) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
- (ii) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date on which such mandate, variation, cancellation or notification was recorded by the Company;

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

- (iii) any instrument of transfer of shares which has been registered at any time after the expiry of six (6) years from the date of registration; and
- (iv) any other document, on the basis of which any entry in the register is made, at any time after the expiry of six (6) years from the date on which an entry in the register was first made in respect of it;

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

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

Winding Up

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

179. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies (Winding Up and Miscellaneous Provisions) Ordinance, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability. Power to distribute assets in specie.
180. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in English in an English language newspaper and in Chinese in a Chinese language newspaper as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register or by such other means and in such manner as provided for or permitted under the Companies (Winding Up and Miscellaneous Provisions) Ordinance or other relevant laws or regulations, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted. Service of process.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Indemnity

181. (A) Every Director or other officer of the Company shall be entitled to be indemnified Indemnity.
out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss or damages which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.
- (B) The Company may indemnify any Director or other officer of the Company, or any person employed by the Company as Auditor, against any liability incurred by him:
- (a) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or
 - (b) in connection with any application under Section 903 or 904 of the Companies Ordinance in which relief is granted to him by the court.
- (C) The Company may purchase and maintain for any Director or officer of the Company, or any person employed by the Company as Auditor:
- (a) insurance against any liability to the Company, an associated 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 an associated 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 an associated company.
- (D) In this Article, “associated company”, in relation to the Company, means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

Authentication of Documents

182. Any Director or the Secretary or other authorised officer of the Company shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any accounting records, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies of extracts; and where any accounting records, records, documents or accounts are elsewhere than at the registered office or the head office, the local manager or such other officer of the Company having the custody thereof shall be deemed to be the authorised officer of the Company as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any local board or committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.
- Power to
authenticate.

Conflict with Companies Ordinance

183. (A) Notwithstanding anything contained in these Articles, if the Companies Ordinance prohibit an act being done, the act shall not be done.
- (B) Nothing contained in these Articles prevents an act being done that the Companies Ordinance requires to be done.
- (C) If any provision of these Articles is or becomes inconsistent with any provision of the Companies Ordinance, these Articles are deemed not to contain that provision to the extent of the inconsistency and to the extent it does not breach any provision of the Companies Ordinance.
- Conflict
with
Companies
Ordinance.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES

The following table sets out the details of the initial subscribers of the Company, the initial number of shares taken by each of them and the initial share capital of the Company on 12th April, 1985:

Names, Addresses and Descriptions of Initial Subscribers	Initial Number of Shares Taken by each Initial Subscriber
(Sd.) FUNG HIN CHIU FUNG HIN CHIU Room 2504, Tower 1, Admiralty Centre, Queensway, Hong Kong. Merchant	One
(Sd.) FRANCIS CHEUNG NIM CHE FRANCIS CHEUNG NIM CHE Room 2504, Tower 1, Admiralty Centre, Queensway, Hong Kong. Merchant	One
Total Number of Shares Taken	Two
Initial Paid-up Share Capital of the Company	HK\$2



首程控股有限公司
SHOUCENG HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 697)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Shoucheng Holdings Limited (the “**Company**”) will be held at 10:00 a.m. on Wednesday, 30 April 2025 at 5th Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong for the following purposes:

1. To receive and adopt the audited financial statements together with the reports of the directors and the independent auditor for the year ended 31 December 2024.
2. To declare a final dividend for the year ended 31 December 2024.
3. To re-elect Ms. Zhang Quanling as an independent non-executive director of the Company.
4. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorise the directors of the Company to fix the auditor’s remuneration.
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with shares (including any sale or transfer of treasury shares out of treasury) in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

- (c) the aggregate number of shares of the Company allotted (or sold or transferred out of treasury) or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the total number of shares (excluding treasury shares, if any) of the Company in issue as at the date of passing this resolution; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any territories outside Hong Kong).”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to buy back shares in the capital of the Company on The Stock Exchange of Hong Kong Limited, and that the exercise by the directors of all the powers of the Company to buy back such shares and to determine whether such buy-back shares shall be held as treasury shares subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to buy back its shares at a price determined by the directors;
- (c) the aggregate number of shares bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of shares (excluding treasury shares, if any) of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws or rules to be held; and
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolution no. 6 as set out in the notice convening this meeting of which this resolution forms part, the aggregate number of shares of the Company which are bought back by the Company pursuant to and in accordance with the said resolution no. 6 shall be added to the aggregate number of shares of the Company that may be allotted, issued or dealt with (or sold or transferred out of treasury) or agreed conditionally or unconditionally to be allotted, issued or dealt with (or sold or transferred out of treasury) by the directors pursuant to and in accordance with resolution no. 5 as set out in the notice convening this meeting of which this resolution forms part.”

8. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT** the articles of association of the Company in the form of the document marked “A” produced to this meeting and, for the purpose of identification, signed by the Chairman of the meeting, which amends and restates the articles of association of the Company to reflect all of the proposed amendments referred to in appendix III of the circular of the Company dated 5 April 2025, be and are hereby approved and adopted as the new articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company with effect from the end of this meeting and **THAT** any director or the company secretary of the Company be and is hereby authorised to do all things necessary to effect and record the adoption of the new articles of association of the Company.”

By order of the Board
Shoucheng Holdings Limited
Chan Weng Mui
Company Secretary

Hong Kong, 5 April 2025

Notes:

- (1) With respect to resolution no. 2 above, the board of directors of the Company recommended a final dividend in the total amount of HK\$120 million for the year ended 31 December 2024 payable to shareholders whose names appear on the register of members of the Company on Wednesday, 16 July 2025. Based on 7,284,855,440 ordinary shares of the Company in issue on 26 March 2025, such a final dividend would amount to HK1.64 cents per ordinary share.

In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 15 July 2025 for registration. The final dividend is expected to be paid on Thursday, 7 August 2025.

- (2) With respect to resolution no. 3 above, Ms. Zhang Quanling will retire from office at the above meeting pursuant to the articles of association of the Company and, being eligible, offer herself for re-election at the above meeting.
- (3) Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a shareholder of the Company.
- (4) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
- (5) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the meeting (i.e., at or before 10:00 a.m. on Monday, 28 April 2025 (Hong Kong Time)), or any adjourned meeting thereof (as the case may be).
- (6) The register of members of the Company will be closed from Friday, 25 April 2025 to Wednesday, 30 April 2025 (both days inclusive) to determine the entitlement to attend and vote at the above meeting. During such period no transfer of shares of the Company will be registered. In order to qualify for the entitlement to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, 24 April 2025 for registration.
- (7) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (8) Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.