
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Wah Ha Realty Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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華廈置業有限公司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AT THE ANNUAL GENERAL MEETING,
PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES
AND BUY BACK SHARES,
PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF 2015 ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Wah Ha Realty Company Limited (the “Company”) to be held at Room 2500, Dominion Centre, 43-59 Queen’s Road East, Wanchai, Hong Kong on Tuesday, 1st September 2015 at 11:30 a.m. (the “2015 AGM”) (the “Notice”) is set out on pages 93 to 96 of this circular. Whether or not you intend to attend the 2015 AGM, you are requested to complete the accompanied form of proxy in accordance with the instructions printed thereon and return the same to the Company’s registered office, Room 2500, Dominion Centre, 43-59 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the 2015 AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2015 AGM or at any adjourned meeting should you so wish.

This circular contains all the information required pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) to be given to the shareholders of the Company (the “Shareholder(s)").

29th July 2015

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LETTER FROM THE CHAIRMAN



華廈置業有限公司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

Executive Directors:

Mr. Cheung Kee Wee (*Chairman*)
Mr. Cheung Lin Wee
Mr. Cheung Ying Wai, Eric

Registered Office:

Room 2500, Dominion Centre,
43-59 Queen's Road East,
Wanchai, Hong Kong

Non-executive Directors:

Mr. John Ho
Mr. Ng Kwok Tung

Independent Non-executive Directors:

Mr. Lam Hon Keung, Keith
Mr. Chan Woon Kong
Mr. Au-Yang Cheong Yan, Peter

Dear Shareholder(s),

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AT THE ANNUAL GENERAL MEETING,
PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES
AND BUY BACK SHARES,
PROPOSED ADOPTION OF THE NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF 2015 ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the 2015 AGM relating to (i) the ordinary resolutions proposing re-election of directors of the Company (the "Directors") who are due to retire at the 2015 AGM; (ii) the ordinary resolutions granting general mandates to the board of Directors (the "Board") for the issue and buy-back of the fully-paid up ordinary shares of the Company (the "Share(s)"); and (iii) the special resolution proposing adoption of the new articles of association of the Company (the "Articles") (the "New Articles") and to give you the Notice at which the resolutions as set out in the Notice will be proposed.

LETTER FROM THE CHAIRMAN

PROPOSED RE-ELECTION OF RETIRING DIRECTORS AT THE 2015 AGM

In accordance with Article 94 of the Articles, Mr. Au-Yang Cheong Yan, Peter, who was appointed as an additional Director on 12th December 2014, will hold office until the 2015 AGM and he, being eligible, will offer himself for re-election at the 2015 AGM.

In accordance with Article 103(A) of the Articles, Mr. Cheung Kee Wee, Mr. Chan Woon Kong and Mr. Lam Hon Keung, Keith will retire from office by rotation and they, being eligible, will offer themselves for re-election at the 2015 AGM.

Both Mr. Chan Woon Kong and Mr. Lam Hon Keung, Keith have served as Independent Non-executive Directors of the Company for more than 9 years. The Company considered that their long service would not affect their exercise of independent judgement and was satisfied that Mr. Chan and Mr. Lam have the required integrity and experience to continue fulfilling the role of Independent Non-executive Directors and should be re-elected at the 2015 AGM subject to a separate resolution to be approved by the Shareholders.

Each of Mr. Au-Yang Cheong Yan, Peter, Mr. Chan Woon Kong and Mr. Lam Hon Keung, Keith, being an Independent Non-executive Director of the Company eligible for re-election at the 2015 AGM, has furnished his annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all of them have met the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

Details of the above Directors which are required to be disclosed under the Listing Rules are set out in **APPENDIX I** to this circular.

PROPOSED GENERAL MANDATES TO ISSUE NEW SHARES AND BUY BACK SHARES

At the annual general meeting of the Company held on Monday, 1st September 2014, general mandates were given to the Board to exercise the power of the Company to issue and buy back Shares. Such general mandates will lapse at the conclusion of the 2015 AGM unless they are renewed at that meeting. It is therefore proposed to seek for your approval of the ordinary resolutions to be proposed at the 2015 AGM to give fresh general mandates to the Board to exercise the powers of the Company to issue new Shares and buy back Shares.

LETTER FROM THE CHAIRMAN

Proposed General Mandate to issue new Shares

At the 2015 AGM, resolution no. 5(B) as set out in the Notice (“Resolution 5(B)”) will be proposed as an ordinary resolution to grant a general and unconditional mandate to the Board to allot, issue and deal with new Shares representing up to 20% of the total number of Shares in issue at the date of passing the resolution (the “Issue Mandate”). As at 23rd July 2015, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 120,960,000 Shares. On the basis that no further Shares are issued or bought back from the Latest Practicable Date up to the date of the 2015 AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 24,192,000 Shares. In addition, subject to the passing of resolution no. 5(A) as set out in the Notice (“Resolution 5(A)”), resolution no. 5(C) as set out in the Notice (“Resolution 5(C)”) will be proposed as an ordinary resolution to extend the authority of the Board to allot, issue and deal with additional Shares representing the number of Shares bought back under the Buy-Back Mandate as hereinafter mentioned.

The Board wishes to state that they have no present intention to allot, issue or deal with any new Shares. Approval is being sought from the Shareholders as a general mandate for the purposes of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“the Companies Ordinance”) and the Listing Rules.

Proposed General Mandate to buy back Shares

At the 2015 AGM, Resolution 5(A) will be proposed as an ordinary resolution pursuant to which the Board will be granted a general and unconditional mandate to exercise all the powers of the Company to buy back issued and fully-paid up Shares on the Stock Exchange not exceeding 10% of the total number of Shares in issue at the date of passing the resolution (the “Buy-Back Mandate”) subject to the criteria set out in the resolution.

Shareholders should note that the authority relates only to Share buy-backs made on the Stock Exchange or otherwise in accordance with the Listing Rules. In addition, Shareholders should also note that the general mandate will continue in force until the earliest 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 or by the laws of the Hong Kong Special Administrative Region (the “HKSAR”) to be held; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement, as required by the relevant rules as set out in the Listing Rules to regulate the Share buy-backs by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange, to provide requisite information to you for your consideration of the proposed Buy-Back Mandate is set out in **APPENDIX II** to this circular.

LETTER FROM THE CHAIRMAN

PROPOSED ADOPTION OF THE NEW ARTICLES

In order to bring the existing Articles in line with the changes made by the Companies Ordinance, which has come into effect on 3rd March, 2014, and the recent changes to the Listing Rules, certain amendments are proposed to be made to the existing Articles. In view of the substantial amount of amendments involved, the Board proposes that the Company can take this opportunity to adopt the New Articles so as to update certain provisions, remove certain outdated provisions and consolidate all the previous as well as the proposed amendments to the existing Articles. The New Articles will replace the existing Articles with effect from the date of the passing of the relevant special resolution at the 2015 AGM.

A summary of the proposed changes to the existing Articles are set out below:

- (a) To remove the memorandum of association of the Company and to migrate the mandatory clauses from the memorandum of association (such as the Company's name, the limited liability of the Shareholders and its initial share capital and shareholdings) to the New Articles as required by the Companies Ordinance;
- (b) To remove all references to par value, nominal value or nominal amount, authorised share capital, unissued shares, share premium and capital redemption reserve, as such terms have become obsolete after the abolition of par value under the Companies Ordinance;
- (c) To remove the provisions relating to the issue of bearer warrants, conversion of shares into stock and subscription right reserves due to the repeal of such powers to issue bearer warrants and stock and the abolition of par value under the Companies Ordinance;
- (d) To simplify the provisions relating to alteration of share capital by stating that the Company may alter its share capital in any way permitted by the Companies Ordinance;
- (e) To provide that a statement of reasons for refusal to register any transfer of shares shall be given within 28 days upon request of the transferor or transferee as required by the Companies Ordinance;
- (f) To update the provisions relating to the general meetings and to revise the minimum notice period of convening a general meeting (other than an annual general meeting) for passing a special resolution from 21 days to 14 days in accordance with the Companies Ordinance;
- (g) To allow the Company to hold general meetings at two or more places using any technology that enables the members who are not at the same place to listen, speak and vote at the general meeting;

LETTER FROM THE CHAIRMAN

- (h) To revise the thresholds necessary for demanding a poll from three to five members present in person or by proxy for the time being entitled to vote at a general meeting and from 10% to 5% of the total voting rights of all the members having the right to vote at a general meeting to align the Articles with the Companies Ordinance;
- (i) To provide that the chairman of a general meeting shall demand a poll if he, before or on the declaration of the result on a show of hands, knows from the proxies received by the Company that the result on a show of hands will be different from that on a poll as required by the Companies Ordinance;
- (j) To include the following provisions in respect of proxies:
 - a. To provide that where multiple proxies are appointed, the proxies so appointed are not entitled to vote on a show of hands;
 - b. To give flexibility for return of a proxy form by various means including electronic means (if so desired by the Company) and to prescribe the statutory periods in various situations for the return of proxy form; and
 - c. To set out the notice requirement in the case of revocation of proxy's authority.
- (k) To revise the provision relating to Directors' ordinary remuneration so that the Board, if previously authorised by the Company in a general meeting, may determine the same;
- (l) To remove the provision stating that Directors absent from Hong Kong need not be given such notice (i.e. with the effect that the Directors will receive notice of Board Meetings whether or not they are in Hong Kong);
- (m) To update the provisions relating to disclosure of a Director's interest in a proposed transaction to reflect the changes under the Companies Ordinance and to update the provisions relating to the right of such Director to vote in respect of such transaction in accordance with the Listing Rules;
- (n) To incorporate certain provisions to provide flexibility to the Directors to signify their agreement to, in place of signing, written resolutions of Directors under certain specified procedures and to permit the signing of Directors' written resolutions by the Directors by electronic signature;
- (o) To allow the Company to execute a document as a deed without using its common seal as permitted under the Companies Ordinance;

LETTER FROM THE CHAIRMAN

- (p) To revise the provisions relating to indemnity for liability of Directors and officers in line with the Companies Ordinance;
- (q) To update certain provisions to facilitate the use of electronic communications by the Company subject to compliance with the requirements under the Listing Rules and the Companies Ordinance;
- (r) To replace the obsolete terms with the new terms used in the Companies Ordinance and the section references to the predecessor of the Companies Ordinance with the corresponding section references to the Companies Ordinance;
- (s) To reflect the recent amendments to the Listing Rules relating to connected transaction requirements and definition(s) of connected persons, close associates and associates; and
- (t) To make other miscellaneous amendments to update, modernise or clarify provisions of the existing Articles where it is considered desirable.

Other house-keeping amendments to the existing Articles are also proposed, including consequential amendments in line with the above amendments to the existing Articles, as well as the updating of certain provisions with reference to the Listing Rules currently in force and deleting the articles which have no practical use. New definitions are proposed to be added to improve the clarity and readability of the New Articles generally.

The full text of the New Articles (marked up against the existing Articles) is set out in **Appendix III** to this circular. The Chinese translation of the New Articles set out in the Chinese version of this circular is for your reference only. In the case of any discrepancy or inconsistency between the English and Chinese versions, the English version shall prevail.

The proposed amendments to the existing Articles are subject to the approval of the Shareholders by way of passing the relevant special resolution at the 2015 AGM.

2015 AGM

The Notice is set out on pages 93 to 96 of this circular.

An announcement will be made by the Company following the conclusion of the 2015 AGM to inform you of the poll results of the 2015 AGM.

LETTER FROM THE CHAIRMAN

VOTING BY POLL

Pursuant to the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll. The Chairman of the 2015 AGM will therefore put each of the resolutions to be proposed at the meeting to be voted by way of a poll pursuant to Article 74 of the Articles.

PROXY FORM

Proxy form for use at the 2015 AGM is enclosed herewith. The proxy form can also be downloaded from the Company's website at www.wahha.com under "Investor Relations". Whether or not you are able to attend the 2015 AGM, you are requested to complete, sign and return the enclosed proxy form in accordance with the instructions printed thereon to the Company's registered office at Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 2015 AGM or any adjournment thereof. Completion and return of the proxy forms will not preclude you from attending and voting at the 2015 AGM or any adjournment thereof should you so wish.

RECOMMENDATION

The Board is of the opinion that the ordinary resolutions in relation to the re-election of the retiring Directors and the general mandates for the issue and buy-back of the Shares and the special resolution in relation to the adoption of the New Articles as set out in the Notice are all in the best interests of the Company and the Shareholders. Accordingly, the Board recommends you to vote in favour of all the resolutions to be proposed at the 2015 AGM.

Yours faithfully,
Cheung Kee Wee
Chairman

Hong Kong, 29th July 2015

APPENDIX I DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2015 AGM

In accordance with Articles 94 and 103(A) of the Articles, Mr. Au-Yang Cheong Yan, Peter, Mr. Cheung Kee Wee, Mr. Chan Woon Kong and Mr. Lam Hon Keung, Keith will retire from office and they, being eligible, will offer themselves for re-election at the 2015 AGM. Their details are as follows:

Mr. Au-Yang Cheong Yan, Peter, aged 55, was appointed an Independent Non-executive Director of the Company in December 2014. He was also appointed a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company in December 2014. Mr. Au-Yang holds a Bachelor of Science degree in Business Studies from the University of Bradford in England and a Master of Science degree in Accounting and Finance from the London School of Economics and Political Science. Mr. Au-Yang has more than 20 years of experience in the financial services sector in the Asia-Pacific region. He joined the Hongkong and Shanghai Banking Corporation Limited (“HSBC”) group in 1985 and became a co-head of Investment Banking, the Asia-Pacific region of the HSBC group in 2001. Between 1985 and 2003 when he was with the HSBC group, he worked on various equity capital fund-raising exercises and mergers and acquisitions projects in the Asia-Pacific region. Between 2003 and 2006, Mr. Au-Yang was an executive director and the chief operating officer of the Securities and Futures Commission. Mr. Au-Yang was an independent non-executive director and the chairman of GreaterChina Professional Services Limited up to his resignation on 2nd July 2014. He is currently the chief financial officer of Bracell Limited and also an independent non-executive director of Telefield International (Holdings) Limited and Laobaixing Pharmacy Chain Joint Stock Company. Save as disclosed above, Mr. Au-Yang did not hold any directorships in any other listed public companies in the last three years.

Mr. Au-Yang does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He does not hold any position in other members of the Group. As at the Latest Practicable Date, Mr. Au-Yang does not have any interest in the Shares which is required to be disclosed pursuant to Part XV of the Securities and Future Ordinance (“SFO”).

Mr. Au-Yang has not entered into any service contract with the Company other than a letter of appointment as an Independent Non-executive Director of the Company, pursuant to which there is no fixed term of office for Mr. Au-Yang but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The Director’s remuneration of Mr. Au-Yang is determined with reference to the Group’s performance and profitability as well as the prevailing remuneration benchmark in the industry. For the year ended 31st March 2015, Mr. Au-Yang received a Director’s fee of HK\$80,000 and he was not entitled to any additional emoluments in his capacity as an Independent Non-executive Director or a member

APPENDIX I DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2015 AGM

of the Board Committees of the Company. For the year ending 31st March 2016, the Director's fee of Mr. Au-Yang as an Independent Non-executive Director of the Company is HK\$120,000 (subject to the approval of the Shareholders at the 2015 AGM).

Save as disclosed above, there are no any other matters concerning Mr. Au-Yang that need to be brought to the attention of the Shareholders nor is there any other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Cheung Kee Wee, aged 63, joined the Group and was appointed an Executive Director of the Company in 1976 and was elected Chairman of the Company in 2000. He was also elected Chairman of the Nomination Committee of the Company in 2012. Mr. Cheung holds a Bachelor Degree in Business Administration. He has about 40 years' experience in the property and building construction industry in Hong Kong and is now mainly responsible for the management and supervision of the Group's property portfolio. Mr. Cheung did not hold any directorships in any other listed public companies in the last three years.

Mr. Cheung is the spouse of Madam Kung So Ha, Anne, the son of Madam Chin Lan Hong, the brother-in-law of Madam Wu Suet Yi, Rita and Madam Hoh Kwok Hing, Corinne, the 25% beneficial owner of Biochoice Limited and Humphrey Group Limited respectively, all the aforesaid persons or corporations are the substantial Shareholders. He is also the brother of Mr. Cheung Lin Wee and Mr. Cheung Ying Wai, Eric, Executive Directors and substantial Shareholders of the Company. Save as disclosed herein, Mr. Cheung does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. Mr. Cheung is a director in each of the subsidiaries of the Company. As at the Latest Practicable Date, the interests of Mr. Cheung in the Shares which are required to be disclosed pursuant to Part XV of the SFO were as follows:

Corporate interests	Total	% of issued share capital
15,150,160 (Note)	15,150,160	12.52

Note: These shares were held by Biochoice Limited (in which Mr. Cheung Kee Wee and his spouse in aggregate owned 50% interest) through its wholly owned subsidiary, Humphrey Group Limited. Therefore, Mr. Cheung Kee Wee was deemed to be interested in these shares under the SFO.

Mr. Cheung has not entered into any service contract with the Company other than a letter of appointment as an Executive Director of the Company, pursuant to which there is no fixed term of office for Mr. Cheung but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The Director's remuneration

APPENDIX I DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2015 AGM

of Mr. Cheung is determined with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry. For the year ended 31st March 2015, Mr. Cheung received a Director's fee of HK\$80,000 and an annual salaries and allowances of HK\$300,000. Apart from these, he was not entitled to any additional emoluments in his capacities as the respective Chairmen of the Board and the Nomination Committee or as an Executive Director of the Company. For the year ending 31st March 2016, the Director's fee and the annual salaries and allowances of Mr. Cheung as an Executive Director of the Company are HK\$120,000 and HK\$300,000 respectively (subject to the approval of the Shareholders at the 2015 AGM).

Save as disclosed above, there are no any other matters concerning Mr. Cheung that need to be brought to the attention of the Shareholders nor is there any other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Chan Woon Kong, aged 81, was appointed an Independent Non-executive Director of the Company in 2004 and was appointed a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company in 2004, 2005 and 2012 respectively. He was also appointed the chairman of the Remuneration Committee of the Company in April 2015. Mr. Chan has over 45 years' extensive experience in the banking industry in Hong Kong. Before his retirement in late 2012, he served in senior management of various banks including Far East Bank Limited, First Pacific Bank Limited, The Bank of East Asia, Limited, United Commercial Bank and East West Bank in Hong Kong. Mr. Chan did not hold any directorships in any other listed public companies in the last three years.

Mr. Chan does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He does not hold any position in other members of the Group. As at the Latest Practicable Date, Mr. Chan does not have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Mr. Chan has not entered into any service contract with the Company other than a letter of appointment as an Independent Non-executive Director of the Company, pursuant to which there is no fixed term of office for Mr. Chan but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The Director's remuneration of Mr. Chan is determined with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry. For the year ended 31st March 2015, Mr. Chan received a Director's fee of HK\$80,000 and he was not entitled to any additional emoluments in his capacity as an Independent Non-executive Director or a member of the Board Committees of the Company. For the year ending 31st March 2016, the Director's fee of Mr. Chan as an Independent Non-executive Director of the Company is HK\$120,000 (subject to the approval of the Shareholders at the 2015 AGM).

APPENDIX I DETAILS OF RETIRING DIRECTORS SEEKING FOR RE-ELECTION AT THE 2015 AGM

Save as disclosed above, there are no any other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders nor is there any other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Lam Hon Keung, Keith *O.B.E., J.P.*, aged 75, was appointed Independent Non-executive Director of the Company in 1993. He was elected chairman of the Audit Committee of the Company in 1998 and appointed a member of the Remuneration Committee and the Nomination Committee of the Company in 2005 and 2012 respectively. He was a Committee Member of Far East Exchange Limited (1975-1986), a Council Member of the Stock Exchange (1987-1994), an ex-President of Rotary Club of Hong Kong South (1976-1977), an appointed unofficial member of the Legislative Councillor in 1984 and a member of the Social Welfare Advisory Committee (2000-2006). Mr. Lam is active in community and social involvements, he is the Chairman of the Hospital Governing Committee of the Hong Kong Buddhist Hospital and Vice Chairman of the Hong Kong Buddhist Association, etc.. He is also a Fellow of the Hong Kong Institute of Directors, a Fellow of Chartered Management Institute and an independent non-executive director of KFM Kingdom Holdings Limited. Save as disclosed above, Mr. Lam did not hold any directorships in any other listed public companies in the last three years.

Mr. Lam does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company. He does not hold any position in other members of the Group. As at the Latest Practicable Date, Mr. Lam does not have any interest in the Shares which is required to be disclosed pursuant to Part XV of the SFO.

Mr. Lam has not entered into any service contract with the Company other than a letter of appointment as an Independent Non-executive Director of the Company, pursuant to which there is no fixed term of office for Mr. Lam but he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The Director's remuneration of Mr. Lam is determined with reference to the Group's performance and profitability as well as the prevailing remuneration benchmark in the industry. For the year ended 31st March 2015, Mr. Lam received a Director's fee of HK\$80,000 and he was not entitled to any additional emoluments in his capacity as an Independent Non-executive Director, Chairman or member of the Board Committees of the Company. For the year ending 31st March 2016, the Director's fee of Mr. Lam as an Independent Non-executive Director of the Company is HK\$120,000 (subject to the approval of the Shareholders at the 2015 AGM).

Save as disclosed above, there are no any other matters concerning Mr. Lam that need to be brought to the attention of the Shareholders nor is there any other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

This Appendix serves as an explanatory statement which contains all the information required pursuant to the Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 120,960,000 Shares.

Subject to the passing of Resolution 5(A) approving the Buy-Back Mandate and on the basis that no further Shares will be issued or bought back by the Company prior to the 2015 AGM, the Company will be allowed under the Buy-Back Mandate to buy back a maximum of 12,096,000 fully-paid up Shares, representing 10% of total number of Shares in issue.

2. REASONS FOR BUY-BACK

The Board believes that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Directors to buy back Shares in the market. Buy-backs of Shares will only be made when the Board believes that such buy-backs will benefit the Company and the Shareholders. Such buy-backs may, depending on market conditions and funding arrangement at the time, lead to an enhancement of the net asset value and/or earnings per share.

3. SOURCES OF FUNDS

Buy-backs of Shares would be financed entirely from the Company's funds legally available for such purpose in accordance with the applicable laws of the HKSAR and the Articles, being distributable profit of the Company and/or the proceeds of a fresh issue of Shares made for the purpose of the buy-backs. It is envisaged that the funds required for any buy-back would be derived from such sources.

4. WORKING CAPITAL OR GEARING

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the Company's audited financial statements for the year ended 31st March 2015 contained in the 2015 Annual Report of the Company) in the event that the Buy-Back Mandate were to be exercised in full at any time during the proposed buy-back period. However, the Board does not propose to exercise the Buy-Back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Board are from time to time appropriate for the Company, unless circumstances justify the Share buy-back.

5. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor any of their close associates (as defined under the Listing Rules), have any present intention to sell any Shares to the Company if the Buy-Back Mandate is approved by the Shareholders.

6. UNDERTAKING OF THE BOARD

The Board has undertaken to the Stock Exchange that the Board will exercise the power of the Company to make buy-backs of the Shares pursuant to Resolution 5(A) in accordance with the Listing Rules, all applicable laws of the HKSAR and the regulations set out in the Articles.

7. CORE CONNECTED PERSONS

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorized to make buy-backs of Shares.

8. EFFECTS OF TAKEOVERS CODE

If on the exercise of the power to buy back Shares pursuant to the 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 the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers ("Takeovers Code"). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the substantial Shareholders together with their respective associates were beneficially interested in 75,822,560 Shares, representing approximately 62.68% of the total number of Shares in issue. In the event that the proposed Buy-Back Mandate is exercised in full and assuming that no further Shares are issued by the Company, the aggregate interests of the substantial Shareholders together with their respective associates in the Company would be increased to approximately 69.65% of the total number of Shares in issue, resulting in the total number of Shares in issue in public hands being reduced to approximately 30.35%. In the opinion of the Board, such increase will not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Board has no present intention to exercise the proposed Buy-Back Mandate.

9. SHARE BUY-BACK BY THE COMPANY

The Company has not bought back any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

10. SHARE PRICES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months from July 2014 to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
July	5.40	5.40
August	5.90	5.20
September	5.55	5.30
October	5.39	5.30
November	6.00	5.39
December	5.82	5.46
2015		
January	7.10	5.57
February	7.15	6.71
March	7.10	6.69
April	7.29	6.64
May	7.18	6.96
June	7.67	7.00
1st July up to the Latest Practicable Date	7.48	6.67

This is a marked-up version which shows the differences between the existing Articles and the proposed New Articles. The English version shall always prevail in case of any discrepancy or inconsistency between the English version and its Chinese translation.

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

WAH HA REALTY COMPANY LIMITED

(華廈置業有限公司)

(As adopted by a Special Resolution passed on [•] 2015)

Incorporated the 10th day of October, 1961.

HONG KONG

Reprinted in 2002

First Edition was printed and adopted in 1961

Second Edition was printed in 1973
(new Articles of Association was adopted by a
Special Resolution passed on 2nd April, 1973)

Third Edition was printed in 1990
(new Articles of Association was adopted by a
Special Resolution passed on 29th September, 1990)

Revised and reprinted in 2002

Revised and reprinted in [•]

[COPY]

CERTIFICATE OF INCORPORATION

I Hereby Certify that

WAH HA REALTY COMPANY LIMITED

(華 厦 置 業 有 限 公 司)

is this day incorporated in Hong Kong under the Companies Ordinance (Chapter 32 of the Revised Edition, 1950, of the Laws of Hong Kong), and that this company is limited.

Given under my hand and seal of office this Tenth day of October, One Thousand Nine Hundred and Sixty-One.

L.S

(Sd.) **W. K. THOMSON**
Registrar of Companies,
Hong Kong.

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

WAH HA REALTY COMPANY LIMITED

(華廈置業有限公司)

First—The name of the Company is “WAH HA REALTY COMPANY LIMITED (華廈置業有限公司)”.

Second—The Registered Office of the Company will be situate in Hong Kong.

Third—The objects for which the Company is established are:—

- (a) —To purchase for investment or resale, and to traffic in land and house and other property of any tenure and any interest therein, and to create, sell, and deal in freehold and leasehold ground rents, and to make advances upon the security of land or house or other property or any interest therein, and generally to deal in, traffic by way of sale, lease, exchange, or otherwise with land house property and any other property whether real or personal.
- (b) —To carry on the business of House and Estate Agent and a Broker of land and hereditaments, messuages and tenements, and any estate or interest therein respectively, in all, or any of their respective branches, and especially to negotiate and arrange loans on land and hereditaments, messuages and tenements, and any estate or interest therein respectively, to manage estates and properties, improve and develop any such land by reclaiming, draining, planting, clearing, and otherwise dealing with the same, and to construct, or procure the construction thereon, or on some part thereof, of all kinds of buildings, and to alter, pull down, rebuild, repair, maintain, decorate and furnish any buildings or erections situate on any such land.
- (c) —To obtain vacant possession of any land, buildings, messuages, tenements and other erections belonging to the Company or in which the Company is interested either as owners, lessees, sub-lessees, contractors or otherwise whatsoever by proceeding in or applications to any court of law, tribunal or other appropriate authority having authority in that behalf or in any lawful manner, for the purpose of development or redevelopment by the erection of new building, tenements, messuages, houses and other erections of every description and to pay compensation and other monies to the lessees, tenants, sub-tenants and other occupiers thereof as may be ordered by the court, tribunal or appropriate authority or which may be otherwise payable.

- (d) ~~To carry on any other similar or dissimilar business which seems capable of being carried on advantageously or conveniently in connection with the above.~~
- (e) ~~To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of the Company.~~
- (f) ~~To acquire, and take over, upon such terms in all respects as the Company shall deem expedient, the whole or any part of the undertaking, assets, rights, or liabilities of any person (which last mentioned word shall in this Memorandum be deemed to include the words "firm or company" where the context so admits) owing any business authorised to be carried on by the Company.~~
- (g) ~~To purchase, take on lease, or in exchange, or hire, or otherwise acquire, and hold, lands, hereditaments, mills, factories, wharves, buildings, shops, offices, warehouses, railways, tramways, works generally, barges, plant, machinery, live and dead stock and other chattels and effects and generally real and personal property of any kind, or easements, rights or privileges in relation thereto.~~
- (h) ~~To construct, enlarge, alter, remove or replace, or to assist in so doing, any buildings or erections of any kind, factories, bridges, roads, ways, wharves, railways, tramways, machinery, watercourses, reservoirs, or other works or plant of any kind, and to maintain, improve, and manage the same or assist in so doing and to make money contribution and do all other things necessary or desirable in connection with any of the aforesaid matters.~~
- (i) ~~To enter into partnership, or amalgamate, with any person engaged, or about to engage, in any business or transaction, within the objects of the Company, and to enter into, with any such persons, and to give effect to, such arrangements for co-operation, joint adventure, sharing profits, mutual assistance, and, generally, such other working arrangements of any kind, as to the Company shall seem advantageous or desirable.~~
- (j) ~~To improve, develop, cultivate, sell, exchange, lease, mortgage, charge, or otherwise turn to account, or to grant easements or rights over, or in respect of, all or any of the property or assets of the Company.~~
- (k) ~~To manage, demise and let, or agree to demise and let, to accept surrenders of, to mortgage, sell, and absolutely dispose of, to surrender to the Government, to grant rights of way over, or otherwise howsoever to deal with, all or any, or any parts or part of the Company's land and hereditaments, messuages and tenements, or any estate or interest therein respectively.~~
- (l) ~~To hire and engage Architects and Surveyors, at such salary, for such period and upon such terms and conditions, particularly with reference to any commission to be earned by them, as the Company may think fit.~~

- ~~(m) To invest or otherwise deal with unemployed moneys of the Company and to vary investments.~~
- ~~(n) To borrow or raise money from time to time, in such amounts and manner and upon such terms as the Company shall think fit, and either without security or upon the security of the whole or any part of the undertaking or assets of the Company, present or future, including uncalled capital, and for such purpose to give, execute and issue such Debentures, Debenture Stock (perpetual or otherwise), mortgages charges, or other securities, and with such covenants and provisions as the Company shall think fit.~~
- ~~(o) To receive loans and deposits of money from, to lend money and give credit (with or without security) to, and to guarantee and become surety for the performance of contracts by any person, where the so doing may seem advantageous or desirable, and upon such terms generally as may be deemed expedient.~~
- ~~(p) To acquire, by purchase or otherwise, or as the whole or part consideration for any contract or transaction, and hold, sell, mortgage or deal with the shares, stock, or securities of, or any interest in, any other company or body where the acquisition or holding thereof, or the contract or transaction in connection with which the same was or were taken, seems advantageous or desirable.~~
- ~~(q) To draw, accept, endorse, issue, discount, execute, retire and pay, promissory notes, bills of exchange, warrants, debentures, and other negotiable, transferable, or mercantile instruments.~~
- ~~(r) To acquire from any Supreme, Municipal, Local, or other Government or authority, or from any body or person, any concession, charter, contract, right, or privilege, which may seem desirable for the furtherance of any object of the Company; and to make any arrangement which may seem desirable for the last named purpose with any such Government, authority, body, or person; and to comply with, work, sell, or otherwise turn to account any such concession, charter, contract, right or privilege.~~
- ~~(s) To act as, or through trustees, agents, factors, secretaries, managers, brokers, or sub-contractors; and to perform the duties of any such office undertaken by the Company.~~
- ~~(t) To promote any company to acquire the whole or any part of the undertaking, assets, or liabilities of the Company, or for any other purpose, which may be deemed desirable in the interests of the Company, and to subscribe or otherwise acquire, underwrite and place, or assist in underwriting or placing, the whole or part of the shares or securities of such company.~~

- ~~(u) — To carry on all or any of the following businesses namely, builders and contractors, decorators, merchants, and dealers in stone, sand, lime, bricks, timber, hardware, and other building requisites, brick and tile and terra-cotta makers, jobmasters, carriers, importers and exporters.~~
- ~~(v) — To promote or assist, pecuniarily or otherwise, any charitable or useful institution, club, exhibition, or object, and any institution, club, or object wholly or partly for the benefit of employees or ex-employees of the Company or their dependants or relations, and to aid or provide for ex-employees and their dependants and relations pecuniarily or otherwise.~~
- ~~(w) — To establish and give effect to any scheme or arrangement for sharing profits with, or giving bonuses to, employees, whether involving the issue or shares in the Company or not, and generally to remunerate any person for services rendered wholly or partly by shares which may be issued as fully or partly paid up.~~
- ~~(x) — To pay the costs and expenses of and incidental to the promotion and establishment of the Company, or to contract for the payment of the same or any part thereof by others; and to pay commission to any person for selling, placing underwriting, or assisting to sell, place, or underwrite or guaranteeing the subscription of Shares, Debentures or other securities of the Company.~~
- ~~(y) — To aid, pecuniarily or otherwise, any association, body, or movement having for an object the solution, settlement, or surmounting of industrial or labour problem or troubles, or the promotion of industry or trade.~~
- ~~(z) — To sell or otherwise dispose of the undertaking of the Company, or any part thereof, for such consideration as the Company shall think fit, and in particular for Shares, Debentures, or other securities issued or to be issued by the purchaser, whether a corporate body or not.~~
- ~~(aa) — To procure the Company to be registered or recognised in any country or place outside Hong Kong.~~
- ~~(bb) — To distribute among the Members any assets of the Company in specie.~~
- ~~(cc) — To do all such things as are incidental or conducive to the attainment of the above objects or any of them.~~

~~It is hereby expressly declared that each sub-clause of this Clause shall be construed independently of the other sub-clause hereof, and that none of the objects mentioned in any sub-clause shall be deemed to be merely subsidiary to the objects mentioned in any other sub-clauses.~~

~~Fourth — The liability of the members is limited.~~

~~Fifth—The share capital of the Company is \$97,500,000.00 Hong Kong Currency divided into 150,000,000 shares of 65 cents each.~~

~~Sixth—The capital of the Company may be increased, and any of the original shares and any new shares from time to time to be created may from time to time be divided into such classes with such preferential, deferred, or special incidents as may be prescribed or determined upon by or in accordance with the Articles of Association and Regulations of the Company for the time being or otherwise.~~

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
<p>(Sd.) 鍾江海 (CHEUNG KUNG HAI) 90 Repulse Bay Road, Hong Kong. Merchant</p>	<p>1</p>
<p>(Sd.) CHUNG LUP YING (CHUNG LUP YING) 34 Kennedy Road, Block A, 8th Floor, Hong Kong. Merchant</p>	<p>1</p>
<p>Total Number of Shares Taken</p>	<p>2</p>

Dated the 6th day of October, 1961.

WITNESS to the above signatures:

(Sd.) E. SHEA
Solicitor,
HONG KONG.

THE COMPANIES ORDINANCE (CHAPTER 32622)

Company Limited by Shares

ARTICLES OF ASSOCIATION

of

WAH HA REALTY COMPANY LIMITED

(華 厦 置 業 有 限 公 司)

Table A Model Articles

1. The ~~regulations~~ provisions contained in ~~Table A in the First Schedule to the Companies Ordinance~~ Schedule 1 of the Companies Ordinance (Model Articles) Notice (Chapter 622H of the Laws of Hong Kong) shall not apply to the Company. Other ~~regulations~~ provisions excluded.

Interpretation

2. The 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 be something in the subject or context inconsistent therewith:— Interpretation.

“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.

“associate” in relation to any Director shall have the same meaning as ascribed to it under Rule 1.01 of the Listing Rules as modified from time to time; associate.

“associated company” shall have the meaning given to it under Section 2 of the Companies Ordinance as modified from time to time; associated company.

“Auditors” shall mean the persons for the time being performing the duties of that office; Auditors.

“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.

“call” shall include any instalment of a call; call.

<p>“capital” shall mean the <u>issued</u> share capital from time to time of the Company;</p>	<p>capital.</p>
<p>“the Chairman” shall mean the Chairman presiding at any meeting of members or of the Board <u>(as the case may be)</u>;</p>	<p>the Chairman.</p>
<p>“close associate” in relation to a Director, shall have the same meaning as ascribed to it <u>under Rule 1.01 of the Listing Rules as modified from time to time</u>;</p>	<p>close associate.</p>
<p>“clearing house” shall mean a “recognised clearing house” within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Chapter 571 of the laws Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force;</p>	<p>clearing house.</p>
<p>“the Company” or “this Company” shall mean the abovenamed Company;</p>	<p>the Company. this Company.</p>
<p>“the Companies Ordinance” or “the Ordinance” shall mean the Companies Ordinance (Chapter 32-622 of the laws 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;</p>	<p>the Companies Ordinance. the Ordinance.</p>
<p><u>“the Companies (Winding Up and Miscellaneous Provisions) Ordinance” shall mean the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 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;</u></p>	<p>the Companies (Winding Up and Miscellaneous Provisions) Ordinance.</p>
<p><u>“the Company” or “this Company” shall mean the above-named Company;</u></p>	<p><u>the Company.</u> <u>this Company.</u></p>
<p><u>“connected entity” shall have the meaning as that for “an entity connected with a director or former director of a company” set out in Section 486(1) of the Companies Ordinance</u></p>	<p><u>connected entity.</u></p>
<p><u>“Deputy Chairman” shall mean the deputy Chairman of the Company appointed by the Board;</u></p>	<p><u>Deputy Chairman.</u></p>
<p><u>“Director or Directors” shall mean the directors for the time being of the Company;</u></p>	<p><u>Director or Directors.</u></p>
<p>“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;</p>	<p>dividend.</p>
<p>“dollars” shall mean dollars in the lawful currency of Hong Kong;</p>	<p>dollars.</p>
<p>“electronic communication” shall mean a communication sent by electronic transmission in any form through any medium;</p>	<p>electronic communication.</p>

~~“Entitled Person” shall mean an “entitled person” as defined under Section 2(1) of the Companies Ordinance;~~ Entitled Person.

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

~~“the Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and any amendments thereto for the time being in force;~~ the Listing Rules.

~~“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 71A of the Companies Ordinance by the Chief Secretary;~~ newspaper.

“ordinary resolution” shall have the meaning given to it under Section 563 of the Companies Ordinance; ordinary resolution.

~~“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.

~~“relevant financial documents” shall have the meaning given under the “relevant financial documents” as defined under Section 2(1)357(2) of the Companies Ordinance;~~ reporting documents relevant financial 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 appointed by the Board or corporation for the time being performing the duties of that office~~ the Secretary; Secretary.

~~“share” shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied~~ the existing shares in the capital of the Company and shall include, where applicable, all such additional shares of the Company in the same, or different class, issued, allotted or otherwise converted from time to time in accordance with these Articles; share.

<p>“shareholders” or “members” shall mean the duly registered holders from time to time of the shares in the capital of the Company;</p>	<p>shareholders. members.</p>
<p>“special notice” in relation to a resolution shall have the same meaning as ascribed to it under Section H6C-578 of the Companies Ordinance;</p>	<p>special notice.</p>
<p>“special resolution” shall have the meaning given to it under Section 564 of the Companies Ordinance;</p>	<p>special resolution.</p>
<p>“Statutes” mean the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance and any amendments thereto or re-enactment thereof and any subsidiary legislation thereto for the time being in force and every other ordinance for the time being in force concerning companies and affecting the Company;</p>	<p>Statutes.</p>
<p>“subsidiary” shall have the same meaning as ascribed to it under Rule 1.01 of the Listing Rules <u>as modified from time to time</u>;</p>	<p>subsidiary.</p>
<p>“summary financial report” shall mean the “summary financial report” as defined under Section 2(1)357 of the Companies Ordinance;</p>	<p>summary financial report.</p>
<p>“writing” or “printing” shall include writing, printing, lithography, photography, typewriting and every other mode of representing words or figures in a legible and non-transitory form;</p>	<p>writing. printing.</p>
<p>Words denoting the singular shall include the plural and words denoting the plural shall include the singular;</p>	<p>singular and plural.</p>
<p>Words importing any gender shall include every gender; and</p>	<p>gender.</p>
<p>Words importing person shall include partnerships, firms, companies and corporations.</p>	<p>persons. companies.</p>
<p>Subject as aforesaid, any words or expressions defined in the Ordinance (except any statutory modification thereof not in force when these Articles become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in Hong Kong or elsewhere.</p>	<p>words in the Ordinance to bear same meaning in these Articles.</p>
<p>References to any Article by number are to the particular Article of these Articles.</p>	

Company Name

3. The name of the Company is “Wah Ha Realty Company Limited” in the English language and “華厦置業有限公司” in the Chinese language. Company Name.

Liability of Members

4. The liability of the members of the Company is limited. Liability of Members.

Share Capital and Modification of Rights

- ~~3.(A) The authorised share capital of the Company is HK\$97,500,000.00 divided into 150,000,000 ordinary shares of HK\$0.65 each respectively having attached thereto the rights and subject to the restrictions hereinafter set out.~~ Capital Structure.

- ~~(B)~~5. Subject to the Articles and Wwithout 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, 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, or at the option of the Company or the holder thereof is liable, to be redeemed. Issue of Shares.

46. 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. Warrants. ~~Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.~~

57. (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. ~~in general meeting.~~

- (B) All or any of the special rights (unless otherwise provided for by 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 provisions of Section ~~64~~182 of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths ~~in nominal value of~~ of the total voting rights attaching to the issued shares or issued 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 in nominal value of~~ of the total voting rights attaching to the issued shares of that class, and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of 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

68. The Company may exercise any powers conferred on the Company or permitted by or not prohibited by or not inconsistent with the Ordinance or any other applicable ordinance, statute, act or law from time to time to ~~acquire buy back its own shares in the Company or~~ to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company ~~acquire buy back~~ its own shares neither the Company nor the Directors shall be required to select the shares to be ~~acquired bought back~~ rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such ~~acquisition share buy-back~~ or financial assistance shall only be made or given in accordance with the Statutes and/or any relevant rules or regulations issued by The Stock Exchange of Hong Kong Limited, the Securities and Futures Commission and any other relevant regulatory authorities in force in Hong Kong from time to time (in particular, where the purchase is for redemption of a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price; and if purchases are by tender, tenders shall be available to all members alike).
- The Company to finance purchase of its own shares.
79. The Company in general meeting may from time to time, ~~whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up;~~ by ordinary resolution increase its share capital by the creation of new shares as permitted by the Statutes, ~~such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.~~
- Power to increase capital.
810. Without prejudice to any special rights previously conferred upon the holders of existing shares, any new shares shall be allotted and 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 allotted and 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 provided 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, shall include the words "restricted voting" or "limited voting".~~
- On what conditions new shares may be allotted and issued.

- ~~9.11.~~ The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, ~~and either at par or at a premium,~~ 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.
- ~~10.12.~~ 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 all 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.
- ~~11.13.~~ Subject to the provisions of the Companies Ordinance (and in particular Section ~~57B-140~~ thereof) and of these Articles ~~and any resolution of the Company relating thereto, relating to new shares,~~ all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot (with or without conferring a right of renunciation), grant options or rights over or otherwise deal with or dispose of them to any share of the Company to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit, ~~but so that no shares shall be issued at a discount, except in accordance with the provisions of the Companies Ordinance.~~
- Shares at the disposal of the Board.
- ~~12.14.~~ The Company may 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 per cent of the price at which the shares are issued.
- The Company may pay commission.
- ~~13.~~ 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.

~~14~~.15. 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.

The Company not to recognise trusts in respect of shares.

Register of Members and Share Certificates

~~15~~.16. (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.

~~16~~.17. Every person whose name is entered as a member in the register shall be entitled to receive within such period of time as may be prescribed by the ~~Companies Ordinance~~ Statutes or the Listing Rules 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 a fee which shall not exceed the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited for every certificate 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.

~~17~~.18. Every certificate for shares or warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section ~~73A~~ 126 of the Ordinance.

Share certificates to be sealed.

~~18:~~19. Every share certificate hereafter issued shall specify the number and class and distinguishing numbers (if any) of the shares in respect of which it is issued ~~and the amount paid thereon~~ and may otherwise be in such form as the Board may from time to time prescribe and as the Statutes and the Listing Rules permit. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section ~~57A~~179 of the Ordinance. A share certificate shall relate to only one class of shares.

Every certificate to specify number and class of shares.

~~19:~~20. (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.

~~20:~~21. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited or such lesser sum as the Board shall from time to time determine, 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

~~21:~~22. 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.

The Company's lien.

Lien extends to dividends and bonuses.

2223. 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, nor 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, bankruptcy or winding-up to the shares. Sale of shares subject to lien.

2324. 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 some 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

2425. 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 ~~(whether on account of the nominal value of shares or by way of premiums)~~ 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. Calls.
Instalments.

2526. Fourteen 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.

2627. A copy of the notice referred to in Article 25-26 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.

2728. In addition to the giving of notice in accordance with Article 2627, notice of the person appointed to receive payment, if required by the Companies Ordinance or determined by the Board of every call and of the times and places appointed for payment may be given to the members by notice to be inserted ~~once in The Hongkong Government Gazette and once at least in an English language newspaper and in a Chinese language newspaper~~ the newspapers or any other form of advertisement as the Board may determine. Notice of call may be advertised.

- ~~28~~29. 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 appoint. Every member liable to pay call at appointed time and place.
- ~~29~~30. 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.
- ~~30~~31. 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.
- ~~31~~32. Subject to the Statutes, ~~the~~ Board may from time to time at ~~their~~ 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. The Board may extend time fixed for call.
- ~~32~~33. If the sum payable in respect of any call or instalment be 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 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.
- ~~33~~34. 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.
- ~~34~~35. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of 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.

3536. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, ~~whether on account of the nominal value of the share and/or by way of premium,~~ 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 Directors 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.
3637. 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) not exceeding twenty per cent per annum 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 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

3738. All transfer of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept. In the case of a corporate transferor or transferee, the Board may, on such conditions as the Board may think fit, accept the machine imprinted or mechanically produced signature of the transferor or the transferee as the valid signature of the transferor or the transferee. 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.
3839. 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 shall be executed with a manual signature or machine imprinted signature by or on behalf of the transferor or transferee provided that in the case of execution by machine imprinted signature by or on behalf of the transferor or transferee, the Company shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such machine imprinted signature corresponds to one of those specimen signatures. 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.

- ~~3940.~~ 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. Directors may refuse to register a transfer.
- ~~4041.~~ The Board may also ~~decline to recognise any instrument of~~ refuse to register any transfer unless:– Requirements as to transfer.
- (i) a fee which shall not exceed the maximum fee prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited 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 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.
- ~~4142.~~ No transfer of share (not being a fully paid up share) shall be made to an infant or to a person of unsound mind or under other legal disability. No transfer to an infant etc..
- ~~4243.~~ If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal. Upon request by the transferor or transferee, the Board shall, within 28 days after receiving the request, send to the transferor or transferee (as the case may be) a statement of the reason(s) for such refusal. Notice of refusal.
- ~~4344.~~ Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the transfer. Certificate to be given up on transfer.

4445. 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.

45A. The Company may in respect of the registration of any grant of probate, letters of administration, certificate of marriage or death, power of attorney, stop notice, order of court or other document relating to or affecting the title to any share charge a fee as the Board may determine (which shall not exceed the maximum fees as may be prescribed by The Stock Exchange of Hong Kong Limited from time to time.

Transmission of Shares

4546. 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.

4647. 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.

4748. 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.

4849. 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 ~~84~~77 being met, such a person may vote at general meetings.

Retention of dividends, etc., until transfer or transmission of shares of a deceased or bankrupt member.

Forfeiture of Shares

4950. 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 ~~33~~34, 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.
5051. The notice shall name a further day (not earlier than the expiration of fourteen 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.
5152. 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 reference in these Articles to forfeiture shall include surrender. If notice not complied with shares may be forfeited.
5253. Any share so forfeited shall be deemed to be the property of the Company, and may be sold 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 the Company.

5354. 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 per cent per annum as the Board may prescribe, and expenses incurred in respect thereof and the Board may enforce the payment thereof if it thinks fit, and without any ~~deduction~~ 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, ~~whether on account of the nominal value of the share or by way of premium,~~ 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.
5455. 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 or sold to satisfy a lien of the Company pursuant to these Articles 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.
5556. 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.
5657. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, 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.

~~5758.~~ 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 the Company's right to call or instalment.

~~5859.~~ 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, ~~whether on account of the nominal value of the share or by way of premium,~~ as if the same had been payable by virtue of a call duly made and notified. Forfeiture for non-payment of any sum due on Shares.

Stock

~~59.~~ The Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class into stock any shares of that class which subsequently become fully paid up and rank *pari passu* in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted. Power to convert Share into Stock.

~~60.~~ The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Board may from time to time, if thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock. Transfer of stock.

~~61.~~ The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage. Rights of stockholders.

~~62.~~ Such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder". Interpretation.

Alteration of Capital

- 63:60. (A) ~~The Company may from time to time alter its capital by any one or more ways as permitted by the Statutes by ordinary resolution:~~ Alteration of capital.
Consolidation
and division
of capital and
sub-division
and cancellation
of share.
- (i) ~~consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing 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, and diminish the amount of its share capital by the amount of the shares so cancelled; and~~
- (iii) ~~sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the 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 unissued or new shares.~~
- (B) Subject to the provisions of the Statutes and these Articles, The Company may Reduction of capital.
by special resolution reduce its share capital or any other distributable reserve ;
any capital redemption reserve fund or any share premium account in any manner
authorised and subject to any conditions prescribed by law.

General Meetings

- 64.61. The Company shall in each financial year hold ~~a general meeting as its an~~ annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; ~~and not more than fifteen months or such longer period as the Registrar of Companies may in any particular case authorise in writing shall elapse between the date of one annual general meeting of the Company and that of the next in accordance with the requirements of the Statutes.~~ The annual general meeting shall, subject to the Statutes and these Articles, be held at such time and place as the Board shall appoint. When annual general meeting to be held.
- 65.62. ~~All general meetings other than annual general meetings shall be called extraordinary general meetings~~ Any general meeting may be held at more than one place provided that such technology is used which enables the members in different places to listen, speak and vote at the meeting. The meeting shall be deemed to take place at the meeting location at which the Chairman is present. Meetings of two or more places. Extraordinary general meeting.
- 66.63. The Board may, whenever it thinks fit, convene ~~a an extraordinary general meeting, and extraordinary general meetings shall also be convened on requisition, as provided by the Companies Ordinance, or, in default, may be convened by the requisitionists~~ The Board may also convene a general meeting upon any requisition from the members made in accordance with the Statutes, or, in default, a general meeting may be convened by requisitionists in accordance with the Statutes. Convening of extraordinary general meeting.
- 67.64. ~~An~~ Subject to the provisions of the Statutes and/or any relevant rules and/or regulations in force in Hong Kong from time to time, an annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given the meeting is convened, and shall specify the place, the day date and the hour of meeting and, in case of special business, the general nature of that the business to be dealt with in 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 Statutes and/or any relevant rules and/or regulations in force in Hong Kong from time to time 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 so agreed:- Notice of meetings.

- (i) In the case of ~~a meeting called as the an~~ annual general meeting by all the members entitled to attend and vote ~~thereat at the meeting~~; and
- (ii) ~~i~~n the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together ~~holding representing~~ not less than ninety-five per cent ~~in nominal value of the shares giving that right of the total voting rights attaching to the shares of all the members having the right to vote at the meeting.~~

If the meeting is to be held at more than one place, the notice of meeting shall specify the principal place of the meeting and the other place or places of the meeting.

- 6865. (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 case 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

- 69. ~~All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of sanctioning dividends, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.~~ Special business. Business of annual general meeting.
- 70:66. 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.

7167. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the 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 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.
7268. The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman nor Deputy Chairman is present within fifteen minutes after the time ~~appointed~~ fixed for holding such meeting, or both such persons decline to take the chair at such meeting, the members present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the members present shall choose one of ~~their own number~~ them to be Chairman. Chairman of general meeting.
7369. Subject to the Statutes, the Listing Rules and any other applicable laws, rules and regulations from time to time, The Chairman may, ~~with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting,~~ at any time, adjourn any meeting ~~from time to time and from place to place as the meeting shall determineto another time and/ or place if he considers that it would facilitate the conduct of the business of the meeting.~~ Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the ~~day~~ date and the hour 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. Power to adjourn general meeting.

Business of adjourned meeting.
7470. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Listing Rules or the Statutes or any other applicable laws, rules or regulations or unless a poll is (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:– What is to be evidence of the passing of a resolution where poll not required or demanded.
- (i) by the Chairman of the meeting; or

- (ii) by at least ~~three~~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 ~~one-tenth~~five per cent of the total voting rights attaching to the shares of all the members having the right to vote at the meeting; ~~or~~
- ~~(iv) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.~~

Provided that if the Chairman, before or on the declaration of the result of a show of hands, knows from the proxies received by the Company that the result on a show of hands will be different from that on a poll, the Chairman must demand a poll. Chairman must demand a poll.

Unless a poll be so required or a poll be so demanded and 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.

~~7571.~~ If a poll is required or demanded as aforesaid, it shall (subject as provided in Article ~~7672~~) Poll. be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was required or demanded, as the Chairman directs. No notice need 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 required or 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.

~~7672.~~ 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.

~~7773.~~ 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.

~~78~~74. 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.

~~79~~75. 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.

Votes of Members

~~80~~76. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, and subject to the provisions of the Statutes and Listing Rules, 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 or representatives (as the case may be) duly authorised under Section 115 of the Companies Ordinance~~ shall have one vote, and on a poll every member present in person or by proxy or (being a corporation) is present by a representative or representatives (as the case may be) duly authorised under Section 606 of the Companies Ordinance or by proxy shall have one vote for every fully paid 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~~ qualifying share). ~~If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on a resolution on a show of hands.~~ 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 of members.

~~81~~77. Any person entitled under Article ~~46-47~~ 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 member.

8278. 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.

8379. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis* or other person in the nature of a committee, receiver or *curator bonis* appointed by that court, and any such committee, receiver, *curator bonis* or other person may on a poll vote by proxy. 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 as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than the last time at which a valid instrument of proxy could be so delivered. Votes of Members of unsound mind.

8480. (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) Where the Company is aware that any member 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 member in contravention of such requirement or restriction shall not be counted. Voting in contravention of the Listing Rules.

8581. 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 proxy. A proxy need not be a member of the Company. A member may appoint ~~more than one~~ or more proxy/proxies to attend on the same occasion. Proxies.

8682. 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.
8783. 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 as is specified in the notice of meeting or in the instrument of proxy issued by the Company, or delivered by electronic means to the Company in the manner specified by the Company (if applicable), not less than ~~forty-eight~~48 hours before the time for holding the meeting ~~or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll to be taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for taking the poll~~ and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after expiration of twelve 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.
8884. 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 provided that, in any event, such form shall include a provision whereby the member may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question. Form of proxy.
8985. The instrument appointing a proxy to vote at a general meeting shall: Authority under instrument appointing proxy.
- (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 ~~an extraordinary~~ 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 such 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.

~~9086~~. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or the previous termination or other 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~~ notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article ~~8783~~, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used, or in the case of a poll taken more than 48 hours after it is demanded, before the time appointed for taking the poll.

When vote by proxy valid though authority revoked.

- ~~9187~~. (A) 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 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.
- (B) Where a clearing house or its nominee(s) is a member of the Company, it or its nominee(s) may authorise or appoint such person(s) as it thinks fit to act as its representative(s) or proxy(ies) (whether or not exceeding two in total) at any members' general 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 or appointed, the authorisation or instrument of proxy must specify the number and class of shares in respect of which each such person is so authorised or appointed. The person so authorised or appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee(s)) which he represents as that clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company including, where applicable, the right to vote individually on a show of hands notwithstanding any contrary provisions contained in these Articles.

Corporation acting by representative at meeting.

Registered Office

~~9288~~. 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

9389. The number of Directors shall not be less than two. The Board shall cause to be kept a Register of the Directors and Secretaries, in accordance with these Articles, and there shall be entered therein the particulars required by the Companies Ordinance. Constitution of the Board.
9490. 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 shall hold office only until the next following ~~annual~~ general meeting of the Company (in the case of filing a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The Board may fill vacancies.
9591. (A) A Director (other than an alternate Director) may at any time, by notice in writing signed by him and 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 Director.
- (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.
- (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 ~~453B(1)~~478(1) of the Companies Ordinance shall not apply to an alternate Director appointed pursuant to these Articles but the alternate Director shall be liable for his own torts.

- (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.

9692. 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.

9793. 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 or by the Board with the prior authorisation of 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.

9894. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged ~~on~~in the business of the Company or in the discharge of their duties as Directors. Directors' expenses.

- ~~999~~5. 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.
- ~~100~~96. Notwithstanding Articles ~~97~~93, ~~98-94~~ and ~~99~~95, the remuneration of a Managing Director, Joint Managing Directors, 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..
- ~~101~~97. (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 makes any arrangement or composition ~~compounds~~ with his creditors generally;
 - (ii) if he becomes a lunatic or of unsound mind;
 - (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~~ Statutes;
 - (v) if by notice in writing delivered to the Company at its registered office that he resigns his office;

- (vi) if he shall be removed from office by notice in writing served upon him signed by all ~~his co-~~other Directors; or
- (vii) if he shall be removed from office by an ordinary resolution of the Company under Article ~~109~~105.
- (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.
- ~~10298.~~ (A) Subject to the provisions of the Statutes and other applicable laws, rules or regulations, A ~~a~~ Director may hold any other office or place of profit with the Company (except that of the Auditors) 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.
- Directors may contract with the Company.
- (B) A Director may act by himself or his firm in a professional capacity for the Company (otherwise than as the Auditors) 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 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 Statutes, the Listing Rules and any other applicable laws, rules and regulations from time to time, ~~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 together with any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) in aggregate own 5-five per cent or more of the issued shares of any class of such company or of the voting rights.
- (F) Subject to the Ordinance and to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from 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) If a ~~A~~Director or any of his connected entities ~~who to his knowledge~~ is in any way, whether directly or indirectly, interested in a transaction, arrangement or contract ~~contract or arrangement or a proposed transaction, arrangement, or contract~~ ~~contract or arrangement~~ with the Company which is significant to the business of the Company and the interest of the Director or the connected entity (as the case may be) is material, the Director shall declare the nature and extent of such interest in accordance with the Statutes and the Listing Rules and these Articles at the meeting of the Board as soon as reasonably practicable and before the Company enters into the transaction, arrangement or contract. ~~shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For this purpose, a general notice to the Board by a Director to the effect that:-~~
- (i) ~~he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm or~~

~~(ii) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;~~

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

(H) Save as otherwise provided by the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any transaction, arrangement or 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)) to his knowledge is/are materially interested, but subject to the Statutes, the Listing Rules and any other applicable laws, rules and regulations from time to time, this prohibition shall not apply to, and a Director may vote and be counted as quorum in respect thereof, any of the following matters namely:-

- (i) any transaction, contract or arrangement or proposal for the giving by the Company of any security or indemnity 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 his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) any transaction, contract or arrangement or proposal for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his 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;
- (iii) any transaction, contract or arrangement by a Director or his associate(s) to subscribe for shares, debentures or other securities of the Company issued or to be issued pursuant to any offer or invitation to members or debenture holders of the Company or any class thereof or to the public or any section thereof and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not accorded to any other members or debenture holders of the Company or any class thereof or to the public or any section thereof;

- (iv) any contract or arrangement or proposal concerning an offer of the 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 is/are to be interested as participant(s) in the underwriting or sub-underwriting of the offer;
- (v) any transaction, contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or any of their interest in shares or debentures or other securities of the Company;
- (vi) any transaction, contract, arrangement or proposal 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 and/or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) are not in aggregate beneficially interested in ~~5~~five per cent. or more of the issued shares or voting rights of any class of shares of such company (or of any third company through which his interest or that of his close associates is derived) or of the voting rights;
- (vii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors (and/or their close associate(s) (and if required by the Listing Rules, his other associate(s))) and employees of the Company or of any of its subsidiaries ~~or its associated companies~~ and does not provide in respect of any Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) as such any privilege or advantage not generally accorded to the ~~employees~~class of persons to which such scheme or fund relates;

- (viii) any proposal or arrangement concerning the adoption, modification or operation of any employee's share scheme involving the issue or grant of options over shares or other securities by the Company to, or for the benefit of the employees of the Company or its subsidiaries or any share incentive or share option scheme of the Company under which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) may benefit; or
- (ix) any contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of any Director, officer or the Auditors of the Company pursuant to these Articles.
- (I) A Company shall be deemed to be a company in which a Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) in aggregate own(s) 5-five per cent. or more of the issued shares of any class of the equity share capital of such company or of the voting rights of any class of shares of such company if and so long as (but only if and so long as) he and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) in aggregate is/are (either directly or indirectly) the holder(s) of or beneficially interested in 5-five per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest and/or that of any of his close associate(s) (and if required by the Listing Rules, his other associate(s)) is derived) or of the voting rights of any class of shares 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 if required by the Listing Rules, his other associate(s)) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Directors and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his close associate(s) (and if required by the Listing Rules, his other associate(s)) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.

- (J) Where a company in which a Director and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) and/or his connected entity in aggregate own(s) ~~5~~five per cent or more (within the meaning as described in paragraph (I) of Article ~~10298~~) is materially interested in a transaction, then that Director and/or his associate(s) 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 shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) 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 and/or his close associate(s) and (if required by the Listing Rules, his other associate(s)) such question shall be decided by a resolution of the Board (for which purpose such Chairman shall be counted in the quorum but 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 and/or his close associate(s) (and if required by the Listing Rules, his other associate(s)) as known to such Chairman has not been fairly disclosed to the Board.
- (L) For the purpose of this Article, any reference to a contract, transaction or arrangement shall include a proposed contract, transaction or arrangement.

Rotation of Directors

~~103~~99. (A) 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, or in such other manner of rotation as may be required by the Statutes, the Listing Rules or other codes, rules and regulations as may from time to time be prescribed by the applicable regulatory authority, shall retire from office. 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.

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.

~~104~~100. 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.

~~105~~101. The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.

Power of general meeting to increase or reduce number of Directors.

~~106~~102.(A) 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. Any person so elected and appointed as a Director either to fill the vacancy of a removed Director or as an addition to the Board shall hold office only until the next following ~~annual~~ general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Appointment of Directors.

(B) Except so far as the Statutes otherwise allow, at a general meeting, the appointment of Directors shall be voted on individually.

~~107~~103. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed for his willingness to be elected shall have been lodged at the registered office of the Company provided that the minimum length of the period, during which such notice is given, shall be at least seven (7) days and that the period for lodgment of such notice shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and ending no later than seven (7) days prior to the date appointed for such general meeting.

Notice to be given when person proposed for election.

~~108~~104.(A) The Company shall keep ~~in accordance with the Ordinance~~ a register containing the names ~~and~~ addresses and occupations of its Directors at its registered office or such prescribed place in accordance with the Statutes and shall from time to time notify ~~to~~ the Registrar of Companies of any change as required by the that takes place in such Directors as required by the Companies Ordinance Statutes. The Company shall make available for inspection such register as required by the Statutes.

Register of Directors and notification of changes to Registrar.

(B) The Company shall keep a register of Directors' and chief executive's interests and short positions and a register of interests in shares and short positions in accordance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

~~H0~~105. The Company may by 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). Special notice is required of a resolution to remove a Director or to appoint somebody in place of a Director so removed at the general meeting at which he is removed in accordance with the ~~Ordinance~~Statute.

Power to remove Director by ordinary resolution.

Borrowing Powers

~~H1~~106. 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

~~H1~~107. 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, in particular 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.

~~H2~~108. 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.

~~H3~~109. Any debentures, debenture stock, bonds or other securities may be issued ~~at a discount, premium or otherwise and~~ with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

Special privileges.

~~H4~~110. (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 of all floating charges on the whole or part of the Company's property or undertaking 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.

~~H5~~11. 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.

~~H6~~12. Subject to the Statutes and the Listing Rules, ~~T~~the Board may from time to time appoint any one or more of the Directors as its body to the office of Managing Director, Joint Managing Directors, 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 it thinks fit and upon such terms as to remuneration (including directors' fees) as it may decide in accordance with Article ~~H00~~96. Power to appoint Managing Directors, etc..

~~H7~~13. Every Director appointed to an office under Article ~~H6~~112 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company and subject to any other terms of such contract of service, be liable to be dismissed or removed therefrom by the Board at any time. Removal of Managing Director, etc..

~~H8~~14. A Director appointed to an office under Article ~~H6~~112 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.

~~H9~~15. The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Directors, 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 ~~of~~ or variation shall be affected thereby. Powers may be delegated.

Management

~~H20~~16. (A) The management of the business of the Company shall be vested in the Board who, 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 General powers of the Company vested in the Board.

done or approved by the Company and are not hereby or by the Companies Ordinance 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.

- (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) 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 par or at such premium 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.

Managers

- ~~121~~17. 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.
- ~~122~~18. 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.
- ~~123~~19. 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

~~124~~120. The Board may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding ~~the same~~such meeting, the Directors present shall choose one of their number to be Chairman of such meeting. Chairman.

Proceedings of the Directors

~~125~~121. 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 if his appointer is not present 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~~other communications equipment or electronic means by ~~means of~~ which all persons participating in the meeting can hear and speak to are capable of hearing each other throughout the meeting. Meeting of the Board quorum, etc..

~~126~~122. A Director may, and on the 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 facsimile transmission or by electronic means or by telephone or otherwise orally ~~telephone or by telex or telegram at 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 the Board meeting.

~~127~~123. 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. How questions to be decided.

~~128~~124. 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.

- ~~129~~125. 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.
- ~~130~~126. 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 the Board.
- ~~131~~127. 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 and are not replaced by any regulations imposed by the Board pursuant to Article ~~129~~125. Proceedings of committee.
- ~~132~~128. All acts *bona fide* done by any meeting of the Board or by any ~~such~~ committee of the Board or by any person acting as a Director or a member of a committee of the Board shall, 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 disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee. When acts of the Board or committee to be valid notwithstanding defects.
- ~~133~~129. The continuing Directors or sole continuing Director 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.

- ~~134~~130.(A) A resolution in writing signed by all the Directors (except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability) or (their alternate Directors) or members of a committee of the Board shall (so long as they constitute a quorum as provided in Article ~~125~~121) be as valid and effectual as if it had been passed at a meeting of the Board or committee of the Board duly convened and held. 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. Directors' resolutions.
- (B) Without prejudice to the provisions of the preceding paragraph, a Director or a member of a committee of the Board (as the case may be) may sign or otherwise signify his agreement to a resolution in writing of Directors or members of a committee. A Director or a member of a committee of the Board (as the case may be) signifies agreement to a written resolution of Directors when the Company receives from that Director or member of a committee a document or notification in hard copy form or in electronic form as authenticated by that Director or member of a committee in a manner previously agreed between that Director and the Company:-
- (i) identifying the resolution to which it relates; and
- (ii) indicating that Director or member of the committee's agreement to the resolution
- (C) Notwithstanding any contrary provisions contained in these Articles and subject to the Statutes:-
- (i) any signature of a Director or a member of a committee of the Board (as the case may be) to any resolution in writing may be made electronically, and any such resolution bearing the electronic signature of any Director or any member of a committee of the Board (as the case may be) shall be as valid and as effective as if it were bearing the handwritten signature of the relevant Director or member; and
- (ii) any signification of agreement to a resolution in writing by a Director or a member of a committee of the Board (as the case may be) authenticated as aforesaid shall be as valid and as effective as if the resolution had been signed by such Director or member of a committee, and a certificate by a Director or the Secretary of such signification and authentication shall be sufficient evidence without further proof thereof.

Minutes

~~135~~131. (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 or members of a committee of the Board (as the case may be) present at each meeting of the Board and of committees appointed pursuant to Article ~~129~~125; 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 and the facts stated therein 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.

Secretary

~~136~~132. 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. The Board may also appoint from time to time for such term, at such remuneration and upon such conditions as it may think fit any assistant or deputy Secretary. 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.

~~137~~133. The Secretary shall ~~be,~~ 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.

134. A Register of Secretaries shall be kept and be entered therein the particulars required by the Statutes.

Register of Secretaries.

~~138~~135. 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

- 139136.(A) 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) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of securities by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. 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.
- (B) The Company may have an official seal for use for sealing certificates for shares, debentures or other securities issued by the Company as permitted by Section ~~73A~~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) A document signed by one Director and the Secretary or by two Directors and expressed (in whatever words) to be executed by the Company as a deed shall have the same effect as if executed under seal.
140137. 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.

- ~~141~~138.(A) The Board may from time to time and at any time, by power of attorney or other instrument executed as a deed~~under the seal~~, 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~~, an instrument 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 signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company. Execution of deeds by attorney.
- ~~142~~139. 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.

~~143~~140. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or 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 wives, widows, 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, pension, allowance or emolument.

Power to establish pension funds.

Capitalisation of Reserves

~~144~~141.(A) Subject to the Statutes, ~~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 condition that the same be not paid in cash but be applied either in or towards paying up ~~any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other;~~ ~~provided that for the purpose of this Article, any amount standing to the credit of share premium account may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.~~

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 Ordinance in relation to the filing of contracts for allotment shall be observed and the~~ The Board may appoint any person to sign on behalf of the persons entitled to share 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.

(C) The Board may on any occasion determine that the allotment of shares or other securities 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 or the allotment of shares or other securities would or might be unlawful, or if it considers such exclusion to be necessary or expedient, and in such event the provision aforesaid shall be read and construed subject to such determination.

~~145. (A) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:-~~

Subscription Right Reserve.

- ~~(i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;~~
- ~~(ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account and capital redemption reserve fund) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;~~
- ~~(iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:-~~
- ~~(aa) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and~~
- ~~(bb) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par;~~

~~and immediately upon such exercise so much of the sum standing to the credit of the Subscription Right Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holder; and~~

~~(iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.~~

~~(B) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (A) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights.~~

~~(C) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.~~

Dividends and Reserves

- ~~146~~142. 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.
- ~~147~~143. (A) Subject to the provisions of the Statutes, tThe Board may from time to time declare and 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. The Board's power to pay interim dividends.
- (B) The Board may also pay half-yearly or at other suitable intervals ~~to be settled by them as may be determined by the Board~~ any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.
- ~~148~~144. 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.
- ~~149~~145. (A) Whenever the Board or the Company in general meeting have 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, debentures or warrants to subscribe 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.

(B) The Board may on any occasion determine that the distribution of specific assets 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 or the distribution of shares or other securities would or might be unlawful, or if it considers such exclusion to be necessary or expedient, and in such event the provisions aforesaid shall be read and construed subject to such determination.

~~150~~146.(A) Whenever the Board or the Company in general meeting have 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 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 shall 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, ~~share premium account and capital redemption reserve fund~~ (if there be any such reserve)) as the Board may determine, a sum equal to the amount of cash dividend which would otherwise have been distributed in respect of the non-elected shares ~~aggregate nominal 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 Directors 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 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 share on the basis of allotment determined as aforesaid and for such purpose the Board shall 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, ~~share premium account and capital redemption reserve fund~~ (if there be any such reserve)) as the Board may determine, a sum equal to ~~the aggregate nominal amount of the shares to be allotted on such basis~~ the amount of cash dividend which would otherwise have been distributed in respect of the elected shares 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 and allotment of shares in lieu thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

unless, contemporaneously with the announcement by the 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 that it may ~~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 ~~by special resolution~~ 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 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 if it considers such exclusion to be necessary or expedient and in such event the provisions aforesaid shall be read and construed subject to such determination.

~~151~~147.The Board may, before recommending any dividend, set aside out of the profits of the Reserves. 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.

- ~~152~~148. Subject to the rights of any persons, ~~if any,~~ entitled to shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the ~~amounts paid or credited as paid up on the shares~~ number of shares held 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.
- ~~153~~149. (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.
- ~~154~~150. 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.
- ~~155~~151. 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.
- ~~156~~152. 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.
- ~~157~~153. 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.
- ~~158~~154. 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.

~~159~~155. 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

~~160~~156. Without prejudice to the rights of the Company under Article ~~158~~154 and the provisions of Article ~~161~~157, 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. The Company may cease sending dividend warrants.

~~161~~157. 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:– The 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 an English language newspaper and a Chinese language newspaper giving notice of its intention to sell such shares and has notified The Stock Exchange of Hong Kong Limited 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.

Distribution of Realised Capital Profits

~~162. 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

~~163~~¹⁵⁸. The Board shall make the requisite annual returns in accordance with the Companies Ordinance. Annual returns.

Accounts Accounting Records

164159. The Board shall cause true ~~accounts~~ accounting records to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance or necessary to give a true and fair view of the state of Company's affairs and to show and explain its transactions. Accounts Accounting records to be kept.
165160. The ~~books of account~~ 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 accounting records to be kept.
166161. 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 ~~accounts and books~~ 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 ~~account or book~~ accounting records or documents 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.
167162. (A) The Board shall from time to time in accordance with the provisions of the ~~Companies Ordinance~~ Statutes cause to be prepared and laid before the Company at its annual general meeting ~~the relevant financial documents~~ a copy of the reporting documents for the financial year of the Company as required by the Statutes. The Board may also cause to be prepared any summary financial report as it may think fit in accordance with the provisions of the Statutes and the Listing Rules. Reporting documents to be laid before the Company in annual general meeting. Relevant financial documents and/or summary financial report to be sent to members.
- (B) Subject to paragraph (C) below, the Company shall deliver or send by post to the registered address of every member of the Company ~~Entitled Person~~ a copy of the ~~relevant financial~~ reporting documents or (subject to compliance with the relevant provisions of the Companies Ordinance and the Listing Rules) the summary financial report not less than twenty-one days before the date of general meeting before which the ~~relevant financial~~ reporting documents shall be laid, provided that this Article shall not require a printed copy of those documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares. Not accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting. Reporting documents to be sent to members.

- (C) Where any ~~Entitled Person~~ member of the Company (“Consenting Person”) has, in accordance with the Companies Ordinance and the Listing Rules and any applicable laws, rules and regulations, consented or is deemed to have consented to treat the publication of the ~~relevant financial reporting~~ documents and/or the summary financial report (as the case may be) on the Company’s computer network to which such person may have access as discharging the Company’s obligation under the Companies Ordinance to send a copy of the ~~relevant financial reporting~~ documents and/or the summary financial report (as the case may be) to such person, then the publication by the Company on its computer network of the ~~relevant financial reporting~~ documents and/or the summary financial report (as the case may be) not less than twenty-one days before the date of the relevant general meeting shall, in relation to such Consenting Person, be deemed to discharge the Company’s obligations under paragraph (B).

Audit

~~168~~163. ~~The~~ Auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Ordinance. Auditors.

~~169~~164. 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 the Auditors.

~~170~~165. ~~Every statement of accounts~~ The reporting documents or summary financial report when 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 months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the ~~statement of accounts~~ foresaid documents amended in respect of the error shall be conclusive. When ~~accounts reporting documents~~ to be deemed finally settled.

Notices

~~171~~166. Any notice or document to be given or issued under these Articles shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Company under these Articles (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and ~~publication on a computer network~~ one made available on website) whether having physical substance or not and may be served or delivered by the Company by any of the following means subject to and to such extent permitted by and in accordance with the ~~Companies Ordinance~~ Statutes, the Listing Rules and any applicable laws, rules and regulations:–

Services of notice.

- (i) personally;
- (ii) ~~by sending it through the post in a properly prepaid post letter, envelope or wrapper addressed to a member at his registered address as appearing in the register (in case of other Entitled Person, to or to such address as he~~ the person (whether or not he is a member) may provide for such purpose);
- (iii) by delivering or leaving it at such address as aforesaid;
- (iv) by advertisement in an English language newspaper and a Chinese language newspaper in Hong Kong;
- (v) ~~by transmitting it as an electronic communication to the Entitled Person at his electronic address as he may provide; or~~ by sending it in electronic form or by electronic means to such person at the address specified by him to the company for such purpose; or
- (vi) ~~by publishing it on the Company’s computer network, giving access to such network to the Entitled Person and giving to such person a notice of publication of such notice or document.~~ by making it available on the Company’s website; or
- (vii) by any other means as permitted by the Statutes and the Listing Rules from time to time.

Provided that in the case of paragraphs (v) and (vi) above, such member has consented or deemed to have consented in the manner permitted in the Statutes and the Listing Rules to the Company communicating with him in such form or manner.

In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice ~~to~~so given shall be sufficient notice to all the joint holders.

For the purposes of making available any notices or documents to a member on the Company's website, the Company shall notify such member that the notice or document has been made available on the Company's website in the manner prescribed by the Statutes and the Listing Rules (a "notice of availability").

~~172~~167. 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. In the absence of notification by a member of an address in Hong Kong for the purpose of service of notice, such member shall be deemed to have received any notice which shall have been displayed at the registered office of the Company and shall have been remained for the space of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.

Members out of Hong Kong.

~~173~~168. Subject to the Statutes, the Listing Rules and any other applicable laws, rules or regulations from time to time, Any notice or document (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:

When notice deemed to be served.

- (i) if sent by post, shall be deemed to have been served on the second business day following that on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document 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 or document was so property prepaid, addressed and put into such post office shall be conclusive evidence thereof;

- (ii) if sent as an electronic communication, shall be deemed to have been served at the time when the notice or document is transmitted electronically provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender’s control shall not invalidate the effectiveness of the notice or document being served; and
- (iii) if ~~published~~placed on the Company’s ~~computer network website~~, shall be deemed to have been served on the day on which the notice or document is ~~published~~first made available on the Company’s website or on the day following that on which a notice of availability is deemed to be served on the member, whichever is later~~computer network to which the Entitled Person may have access and the notice of such publication is given to such person.~~

~~174~~169. 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 disorder or bankruptcy of a member in such manner as provided in these Articles 171 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

Services of notice to persons entitled on death, mental disorder or bankruptcy of a member.

~~175~~170. 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.

~~176~~171. Any notice or document delivered or sent to any member in such manner as provided in Article ~~171~~166 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.

- ~~177~~172.(A) The signature to any notice or document by the Company may be written, printed or made electronically. How notice to be signed.
- (B) Subject to any applicable laws, rules and regulations, any notice or document, including but not limited to the documents referred to in Article ~~167~~162 and any “corporate communication” within the meaning ascribed thereto in the Listing Rules, may be given in the English language only, in the Chinese language only, or in both the English language and the Chinese language. Language(s) used in notice.

Information

- ~~178~~173. 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

- ~~179~~174. Subject to the Statutes, the Listing Rules and any other applicable laws, rules and regulations, the Company may destroy:– Destruction of documents.
- (a) ~~Any~~any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (b) ~~Any~~any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date on which such mandate, variation, cancellation or notification was recorded by the Company;

- (c) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- (d) any other document, on the basis of which any entry in the register is made, at any time after the expiry of six years from the date 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:—

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) 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 (i) above are not fulfilled; and
- (iii) references in this Article to the destruction of any document include reference to its disposal in any manner.

Winding Up

~~180~~175. Subject to the provisions of the Statutes, 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.

Distribution
of assets in
winding up.

~~181~~176. 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 Ordinance~~ Statutes, divide among the members in specie or in 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. Assets may be distributed in specie.

~~182~~177. 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 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 an English language newspaper and 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, 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.

Indemnity

~~183~~178.(A) Every Director or other officer of the Company and every member of a committee of the Board shall be ~~entitled to be~~ indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in Section ~~165(2)~~468(4) of the Companies Ordinance) 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, damages or misfortune 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. Indemnity.

(B) Subject to the provisions of and so far as may be permitted by the ~~Companies Ordinance~~ Statutes, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

(C) Any indemnity provision given by the Company for the benefit of any Director is subject to disclosure in the relevant Directors' report in accordance with the provisions of the Statutes. The Company shall also keep at its registered office a copy, or document setting out the terms, of such indemnity provision which shall be made available for inspection by members in accordance with the provisions of the Statutes.

~~(C)~~(D) Subject to the provisions of and so far as may be permitted by the ~~Companies Ordinance~~ Statutes, the Company may purchase and maintain at its expense for any Director, or officer or Auditors of the Company or any director of an associated company of the Company:-

Liability
Insurance.

- (i) insurance against any liability to the Company, ~~an related~~ 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 related~~ associated company; and
- (ii) 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 related~~ associated company.

~~In this paragraph (C) of Article 183, "related 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.~~

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 6th October 1961.

Names, Addresses and Descriptions of <u>Initial</u> Subscribers	<u>Initial Number of Shares taken by each Initial Subscriber</u>
<p>(Sd.) 鍾 江 海 (CHEUNG KUNG HAI) 90 Repulse Bay Road, Hong Kong. Merchant</p> <p>(Sd.) CHUNG LUP YING (CHUNG LUP YING) 34 Kennedy Road, Block A, 8th Floor, Hong Kong. Merchant</p>	<p style="text-align: center;"><u>1</u></p> <p style="text-align: center;"><u>1</u></p>
<u>Total Number of Shares Taken</u>	<u>2</u>

Initial Paid-up Share Capital of the Company

HK\$200

~~Dated the 6th day of October, 1961.~~

~~WITNESS to the above signatures:~~

(Sd.) E. SHEA
Solicitor,
HONG KONG.

NOTICE OF 2015 ANNUAL GENERAL MEETING



華廈置業有限公司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

NOTICE IS HEREBY GIVEN THAT the 2015 Annual General Meeting of Wah Ha Realty Company Limited (the “Company”) will be held at Room 2500, Dominion Centre, 43-59 Queen’s Road East, Wanchai, Hong Kong on Tuesday, 1st September 2015 at 11:30 a.m. for the following purposes:

1. To receive, consider and adopt the audited Financial Statements and the Reports of the Directors and Independent Auditor of the Company for the year ended 31st March 2015.
2. To declare final and special dividends for the year ended 31st March 2015.
3. (A) To re-elect the following retiring Directors:
 - (a) Mr. Au-Yang Cheong Yan, Peter as an Independent Non-executive Director;
 - (b) Mr. Cheung Kee Wee as an Executive Director;
 - (c) Mr. Chan Woon Kong as an Independent Non-executive Director; and
 - (d) Mr. Lam Hon Keung, Keith as an Independent Non-executive Director.(B) To fix the Directors’ remuneration.
4. To re-appoint PricewaterhouseCoopers as Auditor of the Company and authorise the Board of Directors to fix their remuneration.

NOTICE OF 2015 ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass, with or without modifications, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- (A) **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the Board of Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back issued shares of the Company (“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 is hereby generally and unconditionally approved;
 - (b) the total number of Shares to be bought back by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue at the date of this resolution and the said approval shall be limited accordingly; and
 - (c) 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 Company’s Articles of Association or by the Laws of the Hong Kong Special Administrative Region (the “HKSAR”) to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
- (B) **“THAT** the general mandate unconditionally given to the Board of Directors to issue and dispose of additional Shares not exceeding 20% of the existing number of Shares in issue be and is hereby renewed until whichever is the earlier of:
- (a) the conclusion of the next Annual General Meeting of the Company;

NOTICE OF 2015 ANNUAL GENERAL MEETING

- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by the Company's Articles of Association or by the Laws of the HKSAR to be held; and
 - (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."
- (C) "THAT conditional upon the passing of the Resolutions Nos. 5(A) and 5(B), the general mandate granted to the Board of Directors to issue and dispose of additional Shares pursuant to Resolution No. 5(B) be and is hereby extended by the addition thereto of an amount representing the total number of Shares bought back by the Company under the authority granted pursuant to Resolution No. 5(A), provided that such amount shall not exceed 10% of the total number of Shares in issue at the date of passing this resolution."
6. To consider and, if thought fit, pass, with or without modifications, the following resolution as a Special Resolution:

SPECIAL RESOLUTION

"THAT the new articles of association in the form produced to the meeting and marked "A", and initialed by the Chairman of the meeting for the purpose of identification, ("New Articles"), be and are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the articles of association of the Company in force immediately before the passing of this Special Resolution; and THAT any Director, or the Company Secretary, of the Company be and is hereby authorised to do all such acts and execute all such documents as may be necessary or expedient to give full effect to the adoption of the New Articles."

By Order of the Board
Raymond W. M. Chu
Company Secretary

Hong Kong, 29th July 2015

NOTICE OF 2015 ANNUAL GENERAL MEETING

Notes:

- (i) At the 2015 Annual General Meeting, the Chairman of the meeting will put each of the proposed resolutions to be voted by way of a poll under Article 74 of the Company's Articles of Association.
- (ii) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
- (iii) To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's registered office, Room 2500, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting thereof.
- (iv) The Register of Members of the Company will be closed from Thursday, 27th August 2015 to Tuesday, 1st September, 2015, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the entitlement to attend and vote at the 2015 AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Hongkong Managers and Secretaries Limited, Units 1607-8, 16th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 26th August 2015.
- (v) The Register of Members of the Company will be closed from Tuesday, 8th September 2015 to Friday, 11th September 2015, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final and special dividends, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Hongkong Managers and Secretaries Limited, Units 1607-8, 16th Floor, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong for registration not later than 4:00 p.m. on Monday, 7th September 2015.
- (vi) Detailed information regarding Resolutions Nos. 3, 5 and 6 of this notice are set out in Appendix I, Appendix II and Appendix III to this circular respectively.
- (vii) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- (viii) If typhoon signal no. 8 or above or a black rainstorm warning signal remains in force at 9:00 a.m. at the date of the 2015 AGM, the 2015 AGM will be postponed. Members are requested to visit the website of the Company at www.wahha.com for details of alternative meeting arrangements. The 2015 AGM will be held as scheduled when an amber or red rainstorm warning signal is in force. Members who have any queries concerning the alternative meeting arrangements, please call the Company at (852) 2527 1821 during business hours from 9:00 a.m. to 6:00 p.m. on Mondays to Fridays, excluding public holidays.