

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF**

**INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行（亞洲）有限公司**

(Adopted with effect from 28th April 2000 and including all amendments up to 23rd December 2011)

Incorporated the 12th day of November, 1964

ICBC  工銀亞洲

**MEMORANDUM
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THE COMPANIES ORDINANCE (Chapter 32)

RESOLUTIONS

OF

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行(亞洲)有限公司

passed on 23rd December 2011

The following resolutions were passed on 23rd December 2011 by the sole shareholder of the above-named Company.

RESOLUTIONS

- (1) **IT WAS RESOLVED THAT** the following resolution be approved and passed as an Ordinary Resolution of the Company:

ORDINARY RESOLUTION

“**THAT** the 232,000,000 non-cumulative convertible preference shares of HK\$5.00 each comprised in the authorised but unissued share capital of the Company be and are hereby re-designated as 580,000,000 ordinary shares of HK\$2.00 each and such re-designated shares, when allotted and issued, shall rank pari passu in all respects with the existing fully paid ordinary shares of HK\$2.00 each in issue in the capital of the Company.”

- (2) **IT WAS RESOLVED** that the following resolutions be approved and passed as Special Resolutions of the Company:

SPECIAL RESOLUTIONS

“**THAT** subject to the passing of Resolution No. (1) above, the authorised share capital of the Company be and is hereby increased by the creation of 500,000,000 ordinary shares denominated in Renminbi, each share having a par value of RMB2.00 each, so that following the re-designation of the non-cumulative convertible preference shares of the Company and the creation of the ordinary shares denominated in Renminbi pursuant to this special resolution, the authorised share capital of the Company shall comprise (i) HK\$5,160,000,000 divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000 ordinary shares of RMB2.00 each.”

- (3) “**THAT** the Memorandum of Association of the Company be amended by deleting the Fifth and Sixth clauses thereof and replacing the same with the following:

Fifth:— The authorised share capital of the Company shall comprise (i) HK\$5,160,000,000* divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000* ordinary shares of RMB2.00 each, and having the rights and being subject to

the restrictions as provided for under the Articles of Association of the Company. Reference in these Presents to “Shares” shall, unless expressly stated otherwise or the subject or context otherwise requires, be construed as referring to any or all classes of share capital then in existence and “Members” shall be construed accordingly.

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 rights, privileges or conditions and other 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.

Dividends may be paid in cash and denominated in any currency or by the distribution of specific assets or otherwise as provided by the Articles of Association of the Company and/or Regulations of the Company for the time being or otherwise.

* The original share capital of the Company was HK\$800,000,000 divided into 400,000,000 Ordinary Shares of HK\$2.00 each. It was changed to HK\$2,000,000,000 divided into 1,000,000,000 Ordinary Shares of HK\$2.00 each on 16th September 1999 pursuant to an ordinary resolution passed on 16th September 1999. It was further changed to HK\$3,160,000,000 divided into 1,000,000,000 ordinary shares of HK\$2.00 each and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each on 3rd July 2001 pursuant to a special resolution passed on 16th June 2001.

The share capital of the Company was further changed to HK\$5,160,000,000 divided into 2,000,000,000 ordinary shares of HK\$2.00 each, and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each on 22nd April 2004 pursuant to an ordinary resolution passed on 22nd April 2004.

The share capital of the Company was further changed to (i) HK\$5,160,000,000 divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000 shares of RMB2.00 each on 23rd December 2011 pursuant to a special resolution passed on 23rd December 2011.”

- (4) “**THAT** the articles of association in the form hereto attached and marked “A” be and is hereby approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.”
- (5) **IT WAS RESOLVED THAT** the following resolution be approved and passed as an Ordinary Resolution of the Company:

ORDINARY RESOLUTION

“**THAT** conditional upon the passing of Resolution No. (1) and Resolution No. (2) above, the general mandate be and is hereby unconditionally granted all the powers to the Directors of the Company to allot, issue and otherwise deal with unissued shares pursuant to the said Resolution No. (1) and Resolution No. (2) to the existing sole shareholder of the Company, be and is hereby approved, and the Directors be and are hereby authorized to exercise all the powers of the Company and take all steps as might in their opinion be desirable or necessary in connection with such allotment and issue of shares until the conclusion of the next Annual General Meeting duly held, or until at any time revoked or varied by an ordinary resolution of the shareholder in general meeting, whichever occurs first.”

For and on behalf of
Industrial and Commercial Bank of China Limited
(sd.) Jiang Jianqing

Represented by: Dr. Jiang Jianqing
Sole Shareholder

THE COMPANIES ORDINANCE (Chapter 32)

SPECIAL RESOLUTION

OF

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行（亞洲）有限公司

passed on 9th November 2010

At an Extraordinary General Meeting of the above-named Company held at The Connaught Room, 1/F., Mandarin Oriental, Hong Kong, 5 Connaught Road Central, Hong Kong on Tuesday, 9th November 2010, the following special resolution was duly passed:-

SPECIAL RESOLUTION

“THAT:

- (A) the proposed scheme of arrangement (the **“Scheme”**) between the Company and registered holders of the Scheme Shares (as defined in the Scheme) in the form of the print thereof, which has been produced to this meeting and for the purposes of identification signed by the chairman of this meeting, or in such other form and on such terms and conditions as may be approved by the High Court of the Hong Kong Special Administrative Region (the **“High Court”**), be and is hereby approved;
- (B) for the purposes of giving effect to the Scheme, on the Effective Date (as defined in the Scheme):
 - (i) the authorised and issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares;
 - (ii) subject to and forthwith upon the said reduction of share capital taking effect, the authorised share capital of the Company shall be increased to its former amount by the creation of such number of New Shares (as defined in the Scheme) as is equal to the number of Scheme Shares cancelled; and
 - (iii) the Company shall apply the credit arising in its books of account as a result of the said reduction of capital in paying up the New Shares referred to in paragraph (ii) above in full at par and those New Shares shall be allotted and issued, credited as fully paid, to Industrial and Commercial Bank of China Limited;
- (C) the directors of the Company be and are hereby authorised to make application to The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) for the withdrawal of the listing of the Company’s shares on the Stock Exchange, subject to the Scheme taking effect; and

(D) the directors of the Company be and are hereby authorised to do all other acts and things as considered by them to be necessary or desirable in connection with the implementation of the Scheme and the reduction of capital, including (without limitation) the giving, on behalf of the Company, of consent to any modifications of, or additions to, the Scheme, which the High Court may see fit to impose and to do all other acts and things as considered by them to be necessary or desirable in connection with the implementation of the Scheme and in relation to the Proposal (as defined in the document of which the notice of this resolution forms part) as a whole.”

(sd.) Wong Yuen Fai

Wong Yuen Fai
Chairman of the Meeting

MINUTE OF REDUCTION OF CAPITAL

The capital of Industrial and Commercial Bank of China (Asia) Limited (中國工商銀行(亞洲)有限公司) was by virtue of a Special Resolution of the Company and with the sanction of an Order of the High Court of the Hong Kong Special Administrative Region dated the 20th day of December 2010 reduced from HK\$5,160,000,000 divided into 2,000,000,000 ordinary shares of HK\$2.00 each and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each (the “**Preference Shares**”) (of which 1,352,061,533 ordinary shares had been issued and were fully paid or credited as fully paid and no Preference Shares were in issue) to HK\$4,424,606,414 divided into 1,632,303,207 ordinary shares of HK\$2.00 each and 232,000,000 Preference Shares (of which 984,364,740 ordinary shares had been issued and were fully paid or credited as fully paid and no Preference Shares were in issue). The Special Resolution further provides that subject to and forthwith upon the said reduction of capital taking effect, the authorised share capital of the Company shall be increased to its former amount of HK\$5,160,000,000 by the creation of an additional 367,696,793 ordinary shares of HK\$2.00 each and such additional ordinary shares created shall be allotted and issued, credited as fully paid, to Industrial and Commercial Bank of China Limited.

By virtue of a Scheme of Arrangement sanctioned by the Order and the Special Resolution the capital of the Company on the registration of this Minute is HK\$5,160,000,000 divided into 2,000,000,000 ordinary shares of HK\$2.00 each, of which 1,352,061,533 shares have been issued and are fully paid or credited as fully paid, and 232,000,000 Preference Shares, of which none are in issue.

(sd.) Herbert Smith

Presented by Herbert Smith
(as solicitor on behalf of Industrial and
Commercial Bank of China (Asia) Limited)
21 December 2010

THE COMPANIES ORDINANCE (Chapter 32)

SPECIAL RESOLUTION

OF

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行（亞洲）有限公司

passed on 22nd May 2009

At an Annual General Meeting of the above-named Company held at 33/F., ICBC Tower, 3 Garden Road, Central, Hong Kong on Friday, 22nd May 2009, the following special resolution was duly passed:-

SPECIAL RESOLUTION

“**THAT** the Articles of Association of the Bank be and are hereby amended with effect from the date of this annual general meeting as follows:

(a) *Article 2 — Interpretation*

Article 2 be amended:

(i) by adding the following new definitions:

“Company’s Website”	the website of the Company, the address or domain name of which has been notified to members or any securities holder of the Company;
“Corporate Governance Code”	Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;

(ii) by deleting the definition of “clearing house” and replacing it with the following:

“clearing house”	a recognised clearing house within the meaning of the Securities and Futures Ordinance (Cap. 571) or a clearing house outside Hong Kong which is accepted by the Company as a clearing house handling the clearance, settlement or the custody of the shares of the Company;
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(b) *Article 61 — Notice of Meetings*

By deleting Article 61 in its entirety and replacing it with the following:

“61. Twenty-eight days’ public notice of an annual general meeting shall be given in the manner prescribed in the Ordinance. Subject to section 116C of the Ordinance and the requirements prescribed in the Listing Rules and the Corporate Governance Code from time to time:

- (a) at least twenty-one clear days’ notice or twenty clear business days’ notice (whichever is longer) for every annual general meeting;
- (b) at least twenty-one clear days’ notice for every general meeting at which it is proposed to pass a special resolution; and
- (c) at least fourteen clear days’ notice or ten clear business days’ notice (whichever is longer) for every other extraordinary general meeting (in each case exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given) shall be given in manner hereinafter mentioned to all members or securities holders (other than those who, under the provisions of these Articles, are not entitled to receive such notices from the Company), to the Directors and to the Auditors, but the accidental omission to give such notice to, or the non-receipt of such notice by, any member or securities holder or Director or the Auditors shall not invalidate any resolution passed or proceeding had at any such meeting.”

(c) *Article 77 — Representation of a clearing house which is a member of the Company at meetings*

By deleting Article 77 in its entirety and replacing it with the following:

“77. Where a member or any securities holder is a clearing house or its nominee, notwithstanding the provisions of Article 75, it may authorize such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any general meeting or any separate meeting of any class of members or securities holders provided that, if more than one person is so authorized, the authorization or proxy form must specify the number and class of shares or securities in respect of which each such person is so authorized. The person so authorized will be entitled to exercise the same power on behalf of the recognized clearing house as that clearing house (or its nominees) could exercise if it were an individual member or securities holder of the Company.”

(d) *Article 94 — Retirement of Directors by rotation*

By deleting Article 94(1) in its entirety and replacing it with the following:

“94(1). At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation, provided that every director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.”

(e) *Article 142 — Scrip Dividend*

(i) By deleting Article 142(1)(a)(ii) in its entirety and replacing it with the following:

“142(1)(a)(ii). the Directors, after determining the basis of allotment, shall give not less than fourteen days’ notice in writing or by electronic means as provided in these Articles

to the holders of such shares 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;”

(ii) By deleting Article 142(1)(b)(ii) in its entirety and replacing it with the following:

“142(1)(b)(ii). the Directors, after determining the basis of allotment, shall give not less than fourteen days’ notice in writing or by electronic means as provided in these Articles to the holders of such shares 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;”

(f) *Article 147 — Balance sheet and profit and loss accounts*

By deleting Article 147(2) in its entirety and replacing it with the following:

“147(2). A printed copy, or in accordance with the provisions of these Articles, an electronic copy, of the said Directors’ report, of every balance sheet and profit and loss accounts, including every document required by law to be annexed to it, shall, not less than twenty-one days (or as such requirements prescribed in the Ordinance and the Listing Rules from time to time) before the meeting, be delivered or sent by post, or in accordance with the provisions of these Articles, by electronic means, to the registered address of every member, debenture holder and any securities holder of the Company, or in the case of a joint holding to that member or debenture holder or securities holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.”

(g) *Article 149 — Notices to be in writing*

By deleting Article 149 in its entirety and replacing it with the following:

“149. Subject to the Ordinance, any notice to be given to or by any person pursuant to these Articles shall be:

- (1) in writing; or
- (2) by publication on the Company’s Website and the website of the Stock Exchange in accordance with the Listing Rules; or
- (3) by transmission to the electronic number, address or website supplied by the member or the securities holder to the Company or the share registrars of the Company; or
- (4) by any other means permitted under the Ordinance or the Listing Rules;

except that a notice calling a meeting of the Directors need not be in a manner prescribed above.”

(h) *Article 150 — Service of Notices*

By deleting Article 150(1) in its entirety and replacing it with the following:

“150(1). A notice or other document (including a share certificate) may be served on or delivered to any member or securities holder by the Company either personally, or by sending it by mail, postage prepaid (and, in any case where the registered address of a member or securities holder is outside Hong Kong, by prepaid airmail), addressed to such member or securities holder at his

registered address or by leaving it at that address addressed to the member or securities holder or by any other means authorized in writing by the member or securities holder concerned or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating in Hong Kong, or, other than with respect to the delivery of share certificate and to the extent permitted by the Ordinance, the Listing Rules and all applicable laws and regulation, by electronic means by the transmission of it to an electronic number, address or website supplied by the member or the securities holder either to the Company or the share registrars of the Company or by publication on the Company's Website and the website of the Stock Exchange. In the case of a member or a securities holder registered on a branch register any such notice or document may be posted either in Hong Kong or in the territory in which such branch register is maintained."

(i) *Article 154 — Proof of postage to be sufficient proof of service*

By deleting Article 154 in its entirety and replacing it with the following:

"154. Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail or prepaid airmail (as the case may be). Any notice or other document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was left. Any notice or other document served or delivered by the Company by any other means authorized in writing by the member or the securities holder concerned shall be deemed to have been served when the Company has carried out the action it has been authorized to take for that purpose. Any notice or other document published by way of advertisement shall be deemed to have been served or delivered on the day it was so published. Any notice given by electronic means as provided in these Articles shall be deemed to have been served and delivered on the day if the notice or document is being (i) transmitted to the electronic number, address or website supplied by the member or the securities holder to either the Company or to the share registrars of the Company (when such transmission leaves the information system controlled by the Company), or (ii) published on the Company's Website and the website of the Stock Exchange, when such notice or document is published. The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding."

(j) *Article 158 — Signature on notices*

By deleting the existing Article 158 in its entirety and replacing it with the following:

"158. The signature to any notice to be given by the Company may be written or printed or by electronic means."

(Sd.) Wong Yuen Fai

Chairman of the Meeting

Article 18

The words “within 2 months” in line 4 of Article 18 after the words “Stock Exchange” be deleted and substituted with the words “within 10 business days”

Article 55A

Article 55A be amended as follows:

- (i) The words “Part II of the Securities (Disclosure of Interests) Ordinance (Cap. 396 of the laws of Hong Kong)” in line 2 of Article 55A(3)(c) be deleted and substituted with the words “Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (“SFO”)”
- (ii) The words “section 14 of the Disclosure Ordinance” in line 4 of Article 55A(3)(g)(iii) be deleted and substituted with the words “section 323 of the SFO”
- (iii) The words “section 8(3) of the Disclosure Ordinance” in line 3 of Article 55A(3)(g)(vi) be deleted and substituted with the words “section 316(3) of the SFO”
- (iv) The words “section 2 of the Disclosure Ordinance” in line 1 of Article 55A(3)(i) be deleted and substituted with the words “section 308 of the SFO”
- (v) The words “Disclosure Ordinance” wherever it appeared in Article 55A be deleted and replaced by the words “SFO”

Article 74A

A new Article 74A be added as follows:

“74A. Voting restrictions under Listing Rules

Where any member is, under the Rules Governing the Listing of Securities on the Stock Exchange, 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.”

Article 91(2)(b)

Article 91(2)(b) be deleted in its entirety and substituted with the following:

“(b) not earlier than the day after the dispatch of the notice of the meeting and not later than 7 days prior to the date appointed for the meeting there has been lodged at the Office, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment or reappointment of that person and a notice executed by that person of his willingness to be appointed or re-appointed.”

Article 95(1)

The words “special resolution” in line 1 of Article 95(1) be deleted and substituted with the words “ordinary resolution”

Articles 105(7), (8), (9) and (11)

Articles 105 (7), (8), (9) and (11) be deleted and substituted with the following:

“(7) A Director shall also not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which (taken together with any interest of any of his associates) is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:

- (a) the giving to him or any of his associates of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself or any of his associates has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (c) where the Company or any of its subsidiaries is offering securities in which offer the Director or any of his associates is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which any of them is to participate;
- (d) any contract in which he or any of his associates is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company;
- (e) any contract concerning any other company (not being a company in which the Director and any of his associates in aggregate own 5 per cent. or more) in which he or any of his associates is interested directly or indirectly whether as an officer, shareholder or creditor or otherwise howsoever;
- (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, their associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or any of his associates as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
- (g) any contract for the benefit of employees of the Company or of any of its subsidiaries under which the Director or any of his associates benefits in a similar manner to the employees and which does not accord to any Director or any of his associates as such any privilege or advantage not accorded to the employees to whom the contract relates; and
- (h) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.”

“(8) A company shall be deemed to be one in which a Director and any of his associates in aggregate own 5 per cent. or more if and so long as (but only if and so long as) they are (either directly or indirectly) the holder of or beneficially interested in 5 per cent. or more of any class of the equity share capital of that company (or of any third company through which the interest of the Director or that of his associate is derived) or of the voting rights available to members of that company. For the purpose of this paragraph of this Article there shall be disregarded any shares held by the Director or any of his associates as bare or custodian trustee and in which he and his associates have no beneficial interest, any shares comprised in a trust in which the interest of him and his associates is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorized unit trust scheme in which he or any of his associates is interested only as a unit holder.”

“(9) Where a company in which a Director and any of his associates in aggregate own 5 per cent. or more is materially interested in a contract, he also shall be deemed materially interested in that contract.”

“(11) If any question arises at any meeting as to the materiality of an interest of a Director (other than the chairman of the meeting) and any of his associates or as to the entitlement of any Director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director or any of his associates concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting or any of his associates and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the Directors (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman or any of his associates, so far as known to him, has not been fairly disclosed.”

(Sd.) Kwok Kin Hung

Chairman of the Meeting

THE COMPANIES ORDINANCE (Chapter 32)

SPECIAL RESOLUTIONS

OF

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED

中國工商銀行（亞洲）有限公司

passed on 16th June, 2001

At an Extraordinary General Meeting of the above-named Company held at 11th Floor, ICBC Tower, 122-126 Queen's Road Central, Hong Kong on Saturday, 16th June, 2001, the following special resolutions were duly passed:-

SPECIAL RESOLUTIONS

1. **“THAT** conditional upon and with effect from the date on which the Business Transfer Agreement (as defined in ordinary resolution number 1 set out in the notice of extraordinary general meeting of the Company dated 23rd May, 2001 of which this resolution forms part) becomes unconditional in all respects:
 - (A) The authorised share capital of the Company be and is hereby increased from HK\$2,000,000,000 to HK\$3,160,000,000 by the creation of 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each (“Convertible Preference Shares”) having the special rights and being subject to the restrictions set out in paragraph (C) of this resolution and that following the creation of the Convertible Preference Shares pursuant to this special resolution, the authorised share capital of the Company be 1,000,000,000 shares of HK\$2.00 each and 232,000,000 Convertible Preference Shares of HK\$5.00 each;
 - (B) The Memorandum of Association of the Company be amended by deleting the first sentence in the fifth clause of the Memorandum of Association and replacing the deleted sentence with the following:

“The authorised share capital of the Company is HK\$3,160,000,000 divided into 1,000,000,000 ordinary shares of HK\$2.00 each, and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each having the special rights and being subject to the restrictions set out in Clause 5A of the Articles of Association of the Company.”

(C) The following new Article 5A be inserted as an additional article immediately following Article 5 in the Articles of Association of the Company:

5A Convertible Preference Shares

5A(1) In this Article, the following expressions shall have the following meanings except where the context requires otherwise:

“Aggregate Initial Issue Price”	means the Initial Issue Price multiplied by the number of CP Shares to be issued pursuant to a business transfer agreement between ICBC and the Company dated 4th May, 2001;
“CCASS”	means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“Conversion Price”	means the Initial Issue Price, subject to adjustment in the manner as set out in paragraph (3) of this Article 5A;
“Conversion Right”	means the right of CP Shareholders to convert CP Shares into Shares pursuant to the provisions of paragraphs (2)(i) and (2)(ii) of this Article 5A;
“Conversion Shares”	means the Shares to be issued upon exercise of the Conversion Right;
“Convertible Preference Shares” or “CP Shares”	means convertible non-cumulative preference shares of HK\$5.00 par value each in the capital of the Company created by special resolution of the Company;
“CP Shareholder”	means a person registered from time to time in the register of members of the Company as a holder of any CP Share(s);
“Dividend”	means, in relation to each CP Share, the right to receive, pari passu, any dividend or distribution payable to holders of the Shares;
“HK\$” and “cent”	means Hong Kong dollars and cent, the lawful currency of Hong Kong;
“ICBC”	means Industrial and Commercial Bank of China, a state-owned enterprise established under the laws of the PRC;
“Independent Financial Advisor”	means any reputable merchant bank in Hong Kong selected by the Directors;

“Initial Issue Price”	means the issue price of the CP Shares determined in accordance with a Business Transfer Agreement dated 4th May, 2001 between the Company and ICBC and which shall be equal to the average closing price of the Shares over the immediately preceding ten Trading Days prior to the date of the extraordinary general meeting of the Company held on 16th June, 2001 at which the CP Shares were created together with a premium of 5% on such average closing price, subject to a maximum and a minimum issue price of HK\$7.50 and HK\$6.80 respectively;
“Issue Date”	means, in relation to any CP Share(s), the date of allotment and issue of such CP Share(s);
“Junior PLNs”	means HK\$600,952,000 Junior Performance Linked Notes, which were issued by UB China Business Management Co. Ltd. pursuant to a prospectus issued on 5th April, 2000, which offer holders thereof options to subscribe for Shares up to an aggregate amount of HK\$105,166,600 (at an exercise price of HK\$7.78, subject to adjustment);
“Monetary Authority”	means the Monetary Authority as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong Special Administrative Region of the People’s Republic of China);
“New Ordinary Shares”	means 80,447,449 new Shares to be issued, credited as fully paid, to ICBC or its nominee as part consideration under the Business Transfer Agreement;
“Shares”	means ordinary shares of HK\$2.00 each in the share capital of the Company existing on the Issue Date and all other ordinary shares in the issued share capital of the Company resulting from any reduction of capital, sub-division, consolidation or re-classification of Shares; and
“Trading Day”	means any day on which the Stock Exchange is open for the business of dealing in securities.

5A(2) The CP Shares shall carry equal rights and rank pari passu with one another and each CP Share shall have the rights and restrictions set out below:

As to conversion

- (i) At any time following the Issue Date, a CP Shareholder may serve a notice in writing on the Company to require the Company to convert all or any smaller number of the CP Shares in multiples of 10,000,000 CP Shares held by it (and the balance thereof to cover odd lots) into Shares whereupon the Company shall cause to be allotted and issued to such CP Shareholder such number of Shares as shall be equal to the Aggregate Initial Issue Price of such CP Shares as divided by the Conversion Price.
- (ii) Conversion of the CP Shares as aforesaid shall be effected in such manner as the Directors shall, subject to the Articles and the Ordinance, from time to time determine. Without prejudice to the generality of the foregoing, any CP Shares to be converted as aforesaid may be effected by redemption or repurchase of such CP Shares at the Conversion Price out of (aa) the capital paid up on such CP Shares or (bb) the funds of the Company which would

otherwise be available for dividend or distribution for the purpose, or any combination of (aa) and/or (bb), with the proceeds of redemption or repurchase thereof applied as payment in full for the subscription of the relevant number of Shares. No redemption or repurchase of any CP Shares shall be permitted save with the prior written consent of the Monetary Authority.

- (iii) Upon conversion of any CP Shares into Shares, the Company shall allot and issue the Conversion Shares and cause the share certificates in respect of the relevant Shares to be delivered to the relevant CP Shareholder or credit the number of such Shares into the relevant CP Shareholder's brokers' account with CCASS and the relevant CP Shareholder shall surrender the certificates in respect of the relevant CP Shares held by it for cancellation, in each case, as soon as reasonably practicable and in any event within five business days from the date of the service of the notice of conversion given by such CP Shareholder.
- (iv) In the event of any fraction of a whole number of Shares in the case of a conversion, such fraction shall be rounded down to the nearest whole number of the Share.
- (v) All notices served pursuant to paragraph 2(i) of this Article 5A shall be in writing and shall be deemed to have been sufficiently served within two business days of posting if sent by registered post, in the case of notice to the Company to the registered office of the Company.

As to dividend

- (vi) In each calendar year, the holders of the issued CP Shares shall be entitled to receive, *pari passu*, any Dividend or distribution payable to holders of the Shares on the basis that each CP Share is equivalent to one Share.
- (vii) The rights to any Dividend are not cumulative.

As to capital

- (viii) On a return of capital on liquidation or otherwise, the assets of the Company available for distribution among its shareholders shall be applied in paying up to a maximum of HK\$2.00 paid or deemed paid on each CP Share in priority to any payment to the holders of the Shares and thereafter the holders of the CP Shares and the Shares shall participate in the assets of the Company on a *pari passu* basis.

As to voting

- (ix) The CP Shares confer no voting rights to their holders in any general meeting of the Company, except in a class meeting of holders of CP Shares, in which case each CP Share will entitle the holder to one vote in such class meeting. The provisions of these Articles relating to general meetings and the passing of resolutions of members shall apply, with necessary modifications, to any meeting of or to any resolutions passed by the holders of the CP Shares otherwise than in connection with the variation or abrogation of the rights attached to the CP Shares.
- (x) Each CP Shareholder shall be entitled to receive copies of all notices of any general meeting of the Company and shall be entitled to attend the same notwithstanding that it has no right to vote thereat.

As to redemption

- (xi) The CP Shares are perpetual and will not be redeemed or repurchased save with the prior written consent of the Monetary Authority.

As to receipt of information

- (xii) The Company shall send to each CP Shareholder, at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports, circulars and communications despatched by it to the holders of Shares generally.

As to transfer and maintenance of register of holders

- (xiii) The CP Shares are transferable by instrument of transfer in any usual or common form or such other form as may be approved by the Directors and any instrument of transfer shall be lodged with the Company at its registered office.
- (xiv) The Directors shall maintain a register of CP Shareholders and shall record any transfers duly lodged as aforesaid. The Directors may decline to register any transfer if the form of transfer is incomplete or, in the opinion of the Directors, inaccurate.

As to variation of rights

- (xv) All or any of the special rights or privileges for the time being attached to the CP Shares (notwithstanding that the Company may be or be about to be put in liquidation) may, either with the prior consent in writing of the holders of not less than three-fourths of the CP Shares or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the CP Shares duly convened and held as hereinafter provided (but not otherwise), be varied or abrogated. To every such separate meeting the provisions of these Articles with respect to notice or and proceedings at general meeting shall mutatis mutandis apply, but so that the requisite quorum shall be two persons, present in person, by proxy or by corporate representative, holding or representing not less than one-third of the issued shares of the class (and so that if at any meeting of such holders adjourned pursuant to Article 65 a quorum as above defined is not present those members who are present shall be a quorum) and that any holder of shares of the appropriate class, present in person, by proxy or by corporate representative and entitled to vote, may demand a poll. Holders of CP Shares representing not less than one-third of the issued CP Shares then outstanding shall form a quorum of the holders of the CP Shares notwithstanding the fact that such quorum may be represented by only one person and in such case that person may resolve any matter and a certificate signed by such person (accompanied where such person is a proxy by a copy of the proxy form) shall constitute a valid resolution of the holders of CP Shares.

Adjustments to the Conversion Price

- 5A(3)(i) The Conversion Price shall from time to time be adjusted in accordance with the following relevant provisions and so that if the event giving rise to any such adjustment shall be such as would be capable of falling within more than one of paragraphs (3)(i)(a) to (g) of this Article 5A inclusive, it shall fall within the first of the applicable paragraphs to the exclusion of the remaining paragraphs:
 - (a) if and whenever the Shares by reason of any consolidation or sub-division or reclassification become of a different nominal amount, the Conversion Price in force immediately prior thereto shall be adjusted by multiplying it by the revised nominal

amount and dividing the result by the former nominal amount. Each such adjustment shall be effective from the close of business in Hong Kong on the day immediately preceding the date on which the consolidation or sub-division or reclassification becomes effective;

- (b) if and whenever the Company shall:
- (i) issue (other than in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account); or
 - (ii) issue Shares paid out of distributable profits or reserves and/or share premium accounts issued in lieu of the whole or any part of a cash dividend, being a dividend which the holders of the Shares concerned would or could otherwise have received (but only to the extent that the market value of such Shares exceeds 105% of the amount of dividend which holders of the Shares could elect to or would otherwise receive in cash and which would not have constituted a capital distribution (for which purpose the “market value” of a Share shall mean the average of the closing prices published in the Stock Exchange’s Daily Quotation Sheet for one Share for five Trading Days ending on the last Trading Day immediately preceding the last day on which holders of Shares may elect to receive or (as the case may be) not to receive the relevant dividend in cash);

then, provided in each case that the holders of the CP Shares have not become entitled to receive any such distribution pursuant to paragraph (2)(vi) of this Article 5A, the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the aggregate nominal amount of the issued Shares immediately before such issue and dividing the result by the sum of such aggregate nominal amount and the aggregate nominal amount of the Shares issued in such capitalisation or in lieu of a dividend. Each such adjustment shall be effective (if appropriate, retroactively) from the commencement of the day next following the record date for such issue;

- (c) if and whenever the Company shall make any capital distribution (other than such distributions as are referred to in paragraph (3)(i)(b) of this Article 5A), to holders (in their capacity as such) of Shares (whether on a reduction of capital or otherwise) or shall grant to such holders rights to acquire for cash assets of the Company or any of its Subsidiaries, and provided in each case that the holders of the CP Shares have not become entitled to receive any such distribution or rights pursuant to paragraph (2)(vi) of this Article 5A, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying such Conversion Price by the following fraction:

$$\frac{A - B}{A}$$

Where:

A = the closing price published in the Stock Exchange’s Daily Quotation Sheet of one Share on the Trading Day immediately preceding the date on which the capital distribution or, as the case may be, the grant is publicly announced or (failing any such announcement) immediately preceding the date of the capital distribution or, as the case may be, of the grant; and

B = the fair market value on the day of such announcement or failing any such announcement, the date of the capital distribution or the grant, as the case may be, as determined in good faith by the Independent Financial Advisor, of the portion of the capital distribution or of such rights which is/are attributable to one Share,

Provided that:

- (1) if, in the opinion of the relevant Independent Financial Advisor, the use of the fair market value as aforesaid produces a result which is significantly inequitable, it may instead determine (and in such event the above formula shall be construed as if B meant) the amount of the closing price published in the Stock Exchange's Daily Quotation Sheet of one Share which should properly be attributed to the value of the capital distribution or rights; and
 - (2) the provisions of paragraph (3)(i)(c) of this Article 5A shall not apply in relation to the issue of Shares paid out of profits or reserves and issued in lieu of a cash dividend. Each such adjustment shall be effective (if appropriate, retrospectively) from the commencement of the day following the record date for the capital distribution or grant,
- (d) If and whenever the Company shall offer to all holders of Shares new Shares for subscription by way of rights, or shall grant to all holders of Shares any options or warrants to subscribe for new Shares, at a price per new Share which is less than 95% of the market price at the date of the announcement of the terms of the offer or grant (whether or not such offer or grant is subject to the approval of the holders of Shares or other persons), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of the announcement of such offer or grant by the following fraction:

$$\frac{G + H}{G + I}$$

where:

G = the number of Shares in issue immediately before the date of such announcement;

H = the number of Shares which the aggregate of the two following amounts would purchase at such market price:

- (a) the total amount (if any) payable for the rights, options or warrants being offered or granted; and
- (b) the total amount payable for all of the new Shares being offered for subscription or comprised in the rights, options or warrants being granted; and

I = the aggregate number of Shares being offered for subscription or comprised in the rights, options or warrants being granted.

Such adjustment shall become effective (if appropriate retroactively) from the commencement of the day next following the record date for the relevant offer or grant.

- (e) (1) If and whenever the Company or any of its Subsidiaries shall issue wholly for cash any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares, and the total Effective Consideration per new Share initially receivable for such securities is less than 95% of the market price at the date of the announcement of the terms of issue of such securities (whether or not such issue is subject to the approval of the holders of Shares or other persons), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{J + K}{J + L}$$

where:

J = the number of Shares in issue immediately before the date of the issue of such securities;

K = the number of Shares which the total Effective Consideration receivable for such securities would purchase at such market price; and

L = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative initial conversion or exchange rate or subscription price.

Such adjustment shall become effective (if appropriate retroactively) from the close of business on the business day immediately preceding whichever is the earlier of the date on which the issue is announced and the date on which the issuer of the relevant securities determines the conversion or exchange rate or subscription price in respect of such securities.

- (2) If and whenever the rights of conversion or exchange or subscription attaching to any such securities as are mentioned in paragraph (3)(i)(e)(1) of this Article 5A are modified so that the total Effective Consideration per new Share initially receivable for such securities shall be less than 95% of the market price at the date of announcement of the proposal to modify such rights of conversion or exchange or subscription, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{M + N}{M + O}$$

where:

M = the number of Shares in issue immediately before the date of such modification;

N = the number of Shares which the total Effective Consideration receivable for such securities at the modified conversion or exchange rate or subscription price would purchase at such market price; and

O = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative modified conversion or exchange rate or subscription price.

Such adjustment shall become effective as at the date upon which such modification shall take effect. A right of conversion or exchange or subscription shall not be treated as modified for the foregoing purposes where it is adjusted to take account of rights or capitalisation issues and other events normally giving rise to adjustments of conversion, exchange or subscription terms.

(3) For the purposes of paragraph (3)(i)(e) of this Article 5A:

(aa) the “total Effective Consideration” receivable for the securities issued shall be deemed to be the aggregate consideration receivable by the issuer for such securities for the issue thereof plus the additional minimum consideration (if any) to be received by the issuer and/or the Company (if not the issuer) upon (and assuming) the full conversion or exchange thereof or the exercise in full of the subscription rights attaching thereto; and

(bb) the “total Effective Consideration per new Share” initially receivable for such securities shall be such aggregate consideration divided by the maximum number of new Shares to be issued upon (and assuming) the full conversion or exchange thereof at the initial conversion or exchange rate or the exercise in full of the subscription rights attaching thereto at the initial subscription price, in each case, without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof.

(f) If and whenever the Company shall issue wholly for cash any Shares at a price per Share which is less than 95% of the market price at the date of the announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the date of such announcement by the following fraction:

$$\frac{P + Q}{P + R}$$

where:

P = the number of Shares in issue immediately before the date of such announcement;

Q = the number of Shares which the aggregate amount payable for such issue would purchase at such market price; and

R = the number of Shares allotted pursuant to such issue.

Such adjustment shall become effective on the date of the issue.

(g) If and whenever the Company makes an offer or invitation to holders of Shares to tender for sale to the Company any Shares or if the Company shall purchase any Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchase made on the Stock Exchange or any recognised stock exchange, being a stock exchange recognised for this purpose by the Securities and Futures Commission or equivalent authority and the Stock Exchange) and the board of directors considers that it may be appropriate to make an adjustment to the Conversion Price, at that time the board of directors of the Company shall appoint the Independent Financial Advisor to consider whether, for any reason whatever as a result of such purchases, an adjustment should be made to the Conversion Price fairly and appropriately to reflect the relative interests of the persons affected by such purchases

by the Company and, if the Independent Financial Advisor shall consider in its opinion that it is appropriate to make an adjustment to the Conversion Price, an adjustment to the Conversion Price shall be made in such manner as the Independent Financial Advisor shall certify to be, in its opinion, appropriate. Such adjustment shall become effective (if appropriate retroactively) from the close of business in Hong Kong on the business day next preceding the date on which such purchases by the Company are made.

(ii) For the purposes of paragraph (3)(i) of this Article 5A:

“announcement” shall include the release of an announcement to the press or the delivery or transmission by telephone, telex, facsimile transmission or otherwise of an announcement to the Stock Exchange, “date of announcement” shall mean the date on which the announcement is first so released, delivered or transmitted and “announce” shall be construed accordingly;

“issue” shall include allot;

“market price” means the average of the closing prices published in the Stock Exchange’s Daily Quotation Sheet for one Share for the five Trading Days ending on the last Trading Day immediately preceding the day on or as of which such price is to be ascertained PROVIDED THAT if at any time during the said five Trading Days, the Shares shall have been quoted ex-dividend and during some other part of that period, the Shares shall have been quoted cum-dividend, then:

- (a) if the Shares to be issued do not rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share; and
- (b) if the Shares to be issued rank for the dividend in question, the quotations on the dates on which the Shares shall have been quoted ex-dividend shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the amount of that dividend per Share;

and PROVIDED FURTHER THAT if the Shares on each of the said five Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued or purchased do not rank for that dividend, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend per Share;

“Shares” includes, for the purposes of Shares comprised in any issue, distribution, offer or grant pursuant to paragraphs (3)(i)(b), (c), (d), (e) and (f) of this Article 5A, any such shares of the Company as, when fully paid, shall be Shares;

“rights” includes rights in whatsoever form issued; and

“Subsidiary” shall have the meaning ascribed thereto in the Ordinance and “Subsidiaries” shall be construed accordingly.

(iii) If the Conversion Price is adjusted with effect (retroactively or otherwise) from a date on or before the date on which the names of the CP Shareholders whose CP Shares are converted into Shares pursuant hereto or such other persons as they may direct are entered into the register of holders of Shares of the Company and such CP Shareholders’ entitlement were arrived at on the basis of unadjusted Conversion Price, the Company shall

procure that such number of Shares which would have been required to be issued on conversion of such CP Shares if the relevant adjustment had been given effect to as at the date of conversion pursuant to paragraph (2)(i) of this Article 5A shall be allotted and issued to such CP Shareholders or such other persons as they may direct.

- (iv) The provisions of paragraph (3)(i) of this Article 5A shall not apply to:
 - (a) except for the issue of the New Ordinary Shares and except for the exercise of options attached to the Junior PLNs at an exercise price below the Conversion Price, an issue of fully-paid Shares upon the exercise of any conversion rights attached to securities convertible into Shares that exist at the date of the resolution of the Company creating the CP Shares; and
 - (b) an issue of Shares or other securities of the Company or any Subsidiary wholly or partly convertible into, or carrying rights to acquire, Shares to the directors or employees of the Company or any of its Subsidiaries pursuant to an employee share option scheme adopted by the Company existing as at the date of the resolution of the Company creating the CP Shares.
- (v) Notwithstanding the provisions of paragraph (3)(i) of this Article 5A, in any circumstances where the Directors shall consider that an adjustment to the Conversion Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Conversion Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or at a different time from that provided for under the provisions, the Company may appoint the Independent Financial Advisor, to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if the Independent Financial Advisor shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner (including without limitation, making an adjustment calculated on a different basis) and/or the adjustment shall take effect from such other date and/or time as shall be certified by the Independent Financial Advisor to be in its opinion appropriate.
- (vi) Any adjustment to the Conversion Price shall be made to the nearest cent so that any amount under half a cent shall be rounded down and an amount of half a cent or more shall be rounded up and in no event shall any adjustment (otherwise than upon the consolidation of Shares into shares of a larger nominal amount or upon a repurchase of Shares) involve an increase in the Conversion Price.
- (vii) No adjustment shall be made to the Conversion Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions would be less than one cent.
- (viii) Where the result of any act or transaction of the Company the result of which, having regard to the provisions of paragraph (3) of this Article 5A, would be to reduce the Conversion Price to below the nominal amount of a Share, no adjustment to the Conversion Price shall be made pursuant to any of the relevant provisions of paragraph (3) of this Article 5A unless (i) the Articles shall be in such form, or shall have been altered or added to in such manner, as may be necessary or appropriate to enable the following provisions of paragraph (3)(viii) of this Article 5A and the provisions of paragraph (4) of this Article 5A to be implemented, (ii) implementation of such provisions is not prohibited by and is in compliance with the provisions of the Ordinance, and (iii) the Company shall have established and shall thereafter (subject as provided in paragraph (4) of this Article 5A) maintain in accordance with the provisions of paragraph (4) of this Article 5A the Conversion Right Reserve referred to therein.

- (ix) Whenever the Conversion Price is adjusted, the Company shall give notice to the CP Shareholders that the Conversion Price has been adjusted (setting forth the event giving rise to the adjustment, the Conversion Price in effect prior to such adjustment, the adjusted Conversion Price and the effective date thereof).
- (x) The costs in relation to ascertaining the Conversion Price in paragraph (3) of this Article 5A and of appointing auditors and the Independent Financial Advisor shall be borne by the Company.

5A(4)(i) If, so long as any of the Conversion Rights shall remain exercisable, at any time after the Articles shall be in such form, or shall have been altered or added to, as provided in paragraph (3)(viii) of this Article 5A and the following provisions of paragraph (4) of this Article 5A are not prohibited by and are implemented in compliance with the provisions of the Ordinance, the Company does any act or engages in any transaction to which the provisions of paragraph (3)(viii) of this Article 5A relate, then in compliance with the provisions of that paragraph, the following provisions shall apply:

- (a) As from the date of such act or transaction the Company shall establish and thereafter (subject as provided in paragraph (4) of this Article 5A) maintain in accordance with the provisions of this paragraph a reserve (the "Conversion 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 up pursuant to paragraph (4)(i)(c) of this Article 5A on the exercise in full of all the Conversion Rights outstanding (and any other conversion or subscription rights outstanding in respect of Shares under any other securities of the Company) and shall apply the Conversion Right Reserve in paying up in full such additional Shares as and when the same are allotted.
- (b) The Conversion Right Reserve will not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) 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.
- (c) Upon the exercise of the Conversion Rights represented by any CP Shares, the relevant Conversion Rights shall be exercisable in respect of a nominal amount of Shares equal to the aggregate Conversion Price of such CP Shares (or, as the case may be, the portion thereof in respect of which the Conversion Rights are then exercised) and, in addition, there shall be allotted in respect of such Conversion Rights to the exercising CP Shareholder credited as fully paid such additional nominal amount of Shares as is equal to the difference between:
 - (1) the aggregate Conversion Price of such CP Shares (or, as the case may be, the portion thereof in respect of which the Conversion Rights are then exercised); and
 - (2) the nominal amount of Shares in respect of which such Conversion Rights would have been exercisable, having regard to the provisions of paragraph (3) of this Article 5A, had it been possible for such Conversion Rights to represent the right to convert into Shares at less than par;

and immediately upon such exercise so much of the sum standing to the credit of the Conversion 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 (other than a fraction of a Share) and the relevant number of Shares shall forthwith be allotted credited as fully paid to the exercising CP Shareholder.

- (d) If upon the exercise of Conversion Rights represented by any CP Share the amount standing to the credit of the Conversion 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 CP Shareholder is entitled, the Directors shall apply any profits or reserves then, or thereafter becoming, available (including, to the extent permitted by law, contributed surplus account and share premium account) for such purpose until such additional nominal amount of Shares is paid up and the relevant number of Shares are allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the Shares then in issue. Pending such payment out of the Conversion Right Reserve and the available profits and reserves of the Company and allotment the exercising CP Shareholder 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 Conversion 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 directors of the Company may think fit, and adequate particulars thereof shall be made known to each relevant exercising CP Shareholder upon the issue of such certificate.
- (ii) Shares allotted pursuant to the provisions of paragraph (4) of this Article 5A shall rank *pari passu* in all respects with the other Shares allotted on the relevant exercise of the Conversion Rights represented by the CP Share concerned.
- (iii) Notwithstanding anything contained in paragraph (4)(i) of this Article 5A, no fraction of any Share shall be allotted on exercise of the Conversion Rights and the provisions of paragraph (2) (iv) of this Article 5A shall apply. For this purpose, if the provisions of paragraph (4)(i)(c) of this Article 5A apply on the occasion of the exercise of the Conversion Rights represented by any CP Share, then for the purpose of determining whether any (and if so what) fraction of a Share arises:

 - (a) if the amount standing to the credit of the Conversion Right Reserve is sufficient (when aggregated with the Conversion Price of such CP Share or, as the case may be, the portion thereof payable upon exercise in part of the Conversion Rights represented by such CP Share) to enable the issue of the full nominal amount of Shares in respect of which the Conversion Rights represented by such CP Share are then being exercised, any fractions that would arise on the basis of (separately) the Conversion Price (or, as the case may be, the portion thereof as aforesaid) relating to such CP Share and the capitalisation of an amount standing to the credit of the Conversion Right Reserve shall be aggregated; and
 - (b) if the contrary to (a) above is the case, the provisions of paragraph (2)(iv) of this Article 5A and the foregoing provisions of paragraph (4)(iii) of this Article 5A shall not be applied until the full nominal amount of the Shares which fall to be issued on exercise in full of the Conversion Rights represented by such CP Share is issued (and at that point the Conversion Price relating to such CP Share and the amount, or all the amounts, capitalised as provided by paragraph (4)(i)(c) of this Article 5A shall be aggregated and the fraction to which the provisions of paragraph (2)(iv) of this Article 5A and the foregoing provisions of this paragraph (4)(iii) of this Article 5A shall apply shall be the amount of any fraction of a Share then resulting).
- (iv) A certificate or report by the auditors of the Company from time to time as to whether or not the Conversion 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 Conversion 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 number of Shares required to be allotted to

exercising CP Shareholders credited as fully paid and as to any other matter concerning the Conversion Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all the CP Shareholders and shareholders and all persons claiming through or under them respectively.”

2. “**THAT** the Articles of Association of the Company be and are hereby amended with effect from the date of this Meeting as follows:

Article 59

Article 59(2) is hereby deleted and Article 59(3) is renumbered Article 59(2).

Article 68

Article 68(3) is hereby deleted and Articles 68(4) and 68(5) are hereby renumbered Articles 68(3) and 68(4) respectively.

Article 74

The words “or by proxy” are hereby inserted in Article 74 after the words “Subject to any special rights or restrictions as to voting for the time being attached to any shares and to the provisions of these Articles, on a show of hands every member who (being an individual) is present in person.”

Article 75

The second sentence of Article 75 is hereby deleted and substituted with the following: “A proxy need not be a member of the Company and a member may appoint a maximum of two proxies to attend on the same occasion.”

Article 112

Article 112 (1) is hereby deleted and substituted with the following:

“A resolution in writing signed or approved in writing by a majority of the Directors or their alternates entitled to notice of a meeting of the Directors or by a majority of the members of a committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the Directors, or as the case may be, such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form, each signed and approved by one or more of the said Directors or the said members of the committee concerned.””

(Sd.) Chan Chi Keung, Chris
Chairman of the Meeting

No. 10837
編號



COMPANIES ORDINANCE
(CHAPTER 32)

香港法例第 32 章

公司條例

CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME

公司更改名稱

註冊證書

I hereby certify that
本人謹此證明

UNION BANK OF HONG KONG LIMITED
(香港友聯銀行有限公司)

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

the name of
稱現為

INDUSTRIAL AND COMMERCIAL BANK OF CHINA
(ASIA) LIMITED
中國工商銀行（亞洲）有限公司

Issued by the undersigned on 21 August 2000.

本證書於二〇〇〇年八月廿一日簽發。

MISS R. CHEUNG

for Registrar of Companies
Hong Kong

香港公司註冊處處長

(公司註冊主任 張潔心 代行)

THE COMPANIES ORDINANCE (Chapter 32)

SPECIAL RESOLUTION

OF

UNION BANK OF HONG KONG LIMITED

香港友聯銀行有限公司

passed on 7th August, 2000

At an Extraordinary General Meeting of Union Bank of Hong Kong Limited held at 11th Floor, Union Bank Tower, 122-126 Queen's Road Central, Hong Kong on Monday, 7th August, 2000, the following resolution was duly passed as a Special Resolution:—

“**THAT**, subject to the approval of the Cayman Islands Monetary Authority and the Registrar of Companies in Hong Kong, the name of the Bank be changed to “Industrial and Commercial Bank of China (Asia) Limited” and “中國工商銀行(亞洲)有限公司” in Chinese with effect from the date of issue of the Certificate of Incorporation on Change of Name.”

(Sd.) Zhu Qi

Chairman of the Meeting

THE COMPANIES ORDINANCE (Chapter 32)

RESOLUTIONS

OF

香港友聯銀行有限公司

UNION BANK OF HONG KONG LIMITED

PASSED ON 28TH APRIL, 2000

At an Annual General Meeting of the above-named Company held at 11th Floor, Union Bank Tower, 122-126 Queen's Road Central, Hong Kong on Friday, 28th April, 2000, the following resolutions were duly passed:—

SPECIAL RESOLUTION

1. **“THAT** the Articles of Association contained in the printed document produced to this Meeting, and for the purpose of identification marked “A” and signed by the Chairman hereof, be and are hereby approved and adopted as the new Articles of Association of the Bank in substitution for and to the exclusion of all the existing Articles of Association of the Bank.”

ORDINARY RESOLUTIONS

1. **“THAT**
 - (a) subject to paragraph (b) below, the exercise by the Directors of the Bank during the Relevant Period of all the powers of the Bank to allot, issue and deal with unissued shares in the capital of the Bank and to make or grant offers, agreements and options and warrants which will or might require shares to be allotted, issued or disposed of during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Bank pursuant to the approval in paragraph (a) above, otherwise than pursuant to a Rights Issue, shall not exceed 20% of the aggregate nominal amount of the share capital of the Bank in issue at the date of passing this Resolution and the said approval shall be limited accordingly; and

(c) for the purposes of this Resolution:

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

- (i) the conclusion of the next Annual General Meeting of the Bank;
- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by the Articles of Association of the Bank or the Companies Ordinance to be held; or
- (iii) the date of the passing of an ordinary resolution by shareholders of the Bank in general meeting revoking or varying the authority given to the Directors of the Bank by this Resolution.

“Rights Issue” means an offer of shares or offer or issue of warrants or options to subscribe for shares open for a period fixed by the Directors of the Bank to holders of shares on the Register of Members of the Bank on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors of the Bank may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Bank).”

2. **“THAT** conditional upon the passing of Special Resolution No. 1 as set out in the notice convening this Meeting at which this Resolution is considered:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Bank during the Relevant Period of all powers of the Bank to repurchase Shares be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which the Bank is authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Bank at the date of passing 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 Bank;
- (ii) the expiration of the period within which the next Annual General Meeting of the Bank is required by the Articles of Association of the Bank or the Companies Ordinance to be held; or
- (iii) the date of the passing of an ordinary resolution by shareholders of the Bank in general meeting revoking or varying the authority given to the Directors of the Bank by this Resolution.

“Shares” means fully paid shares of all classes in the capital of the Bank.”

3. “**THAT** conditional upon the passing of the Ordinary Resolution Nos. 1 and 2 as set out in the notice convening this Meeting at which this resolution is considered, the general mandate granted to the Directors of the Bank to allot, issue and otherwise deal with unissued shares pursuant to the said Ordinary Resolution No. 1 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Bank repurchased by the Bank under the authority granted pursuant to the said Ordinary Resolution No. 2, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Bank at the date of passing this Resolution.”

(Sd.) Fu Yu Ning

Chairman of the Meeting

THE COMPANIES ORDINANCE (CHAPTER 32)

ORDINARY RESOLUTIONS

OF

香港友聯銀行有限公司

UNION BANK OF HONG KONG LIMITED

PASSED ON 16TH SEPTEMBER, 1999

At an Extraordinary General Meeting of the above-named Company held at 11th Floor, Union Bank Tower, 122-126 Queen's Road Central, Hong Kong on Thursday, 16th September, 1999, the following resolutions were duly passed as Ordinary Resolutions:—

1. **“THAT** the authorised share capital of the Company be and is hereby increased from HK\$800,000,000 to HK\$2,000,000,000 by the creation of an additional 600,000,000 shares of HK\$2.00 each in the capital of the Company ranking pari passu in all respects with the existing issued and unissued shares of the Company.”
2. **“THAT** subject to and conditional upon the fulfilment of all of the Relevant Conditions (as defined below), the issue and allotment of no less than 150,191,118 new shares and no more than 150,349,118 new shares of HK\$2.00 each in the capital of the Company (**“Rights Shares”**) on the terms and subject to the conditions as set out in the circular of the Company dated 30th August, 1999 relating to the proposed rights issue of the Company in the proportion of one Rights Share for every two existing shares of the Company (**“Rights Issue”**) be and is hereby approved and the directors of the Company be and are hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing shareholders of the Company and, in particular, the directors of the Company be and are hereby authorised to make such exclusions or other arrangements in relation to fractional entitlements or shareholders of the Company with registered addresses outside Hong Kong as they deem necessary or expedient having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong and generally to do such things or make such arrangements as they may think fit to give effect to the Rights Issue.

For the purpose of this Resolution:

“**Relevant Conditions**” means:

- (a) the passing of Ordinary Resolution No. 1 as set out in the notice convening this meeting; and
 - (b) the obligations of the underwriters as stated in the underwriting agreement dated 20th August, 1999 entered into between, amongst others, the Company, Tai Fook Capital Limited, Tai Fook Securities Company Limited and Vickers Ballas Capital Limited becoming unconditional and not having been terminated in accordance with the terms of that agreement.”
3. “**THAT** conditional upon the passing of Ordinary Resolutions Nos. 1 and 2 as set out in the notice convening this meeting at which this Resolution is considered and subject to the relevant provisions in the Companies Ordinance (Cap. 32 of the Laws of Hong Kong) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the general mandate granted to the directors of the Company on 23rd April, 1999 to exercise the powers of the Company to allot, issue and deal with additional shares in the Company be and is hereby extended to allow the directors of the Company to issue up to 20 per cent. of the issued share capital of the Company as at the completion of the Rights Issue.”

(Sd.) Huang Dazhan
Chairman of the Meeting

No. 10837

[COPY]

**CERTIFICATE OF INCORPORATION ON
CHANGE OF NAME**

WHEREAS Union Bank, Limited (友聯銀行有限公司) was incorporated as a limited company under the Companies Ordinance (Chapter 32 of the Laws of Hong Kong, Revised Edition, 1950) on the Twelfth day of November, 1964;

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor now given by me on his behalf under delegated powers, it has changed its name;

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of UNION BANK OF HONG KONG LIMITED (香港友聯銀行有限公司).

GIVEN under my hand at Victoria in the Colony of Hong Kong this Twenty-eighth day of July One Thousand Nine Hundred and Sixty-five.

(Signed) W.K. Thomson
Registrar of Companies,
Hong Kong.

[COPY]

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

UNION BANK, LIMITED
(友聯銀行有限公司)

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 this Twelfth day of November One Thousand Nine Hundred and Sixty-four.

(Signed) J.A.H. Tilley
for Registrar of Companies,
Hong Kong.

THE COMPANIES ORDINANCE (Chapter 32)
Company Limited by Shares

MEMORANDUM OF ASSOCIATION

of

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行（亞洲）有限公司

First:— The name of the Company is “INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED 中國工商銀行（亞洲）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 carry on the business of banking in all its branches and departments, including exchange banking and business; the borrowing, raising or taking up moneys; the lending or advancing moneys, securities and property on such terms as may be thought fit; the discounting, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, exchanges, warrants, debentures, certificates, scrip and other instruments and securities, whether transferable or negotiable, or not, the granting and issuing of letters of credit and circular notes; the buying, selling and dealing in bullion and specie; the acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds; the acquisition, holding and dealing with movable and immovable property of all kinds; the negotiating of loans and advances; the receiving of moneys and valuables on deposit, or for safe custody, or otherwise; the issuance of deposit or other receipts or acknowledgments either in a negotiable or transferable form or otherwise in respect of moneys deposited; the issuance of demand drafts negotiable or transferable or otherwise; the collecting and transmitting of moneys and securities; the carrying on of a savings bank; the establishment of branches or agencies throughout the world; the managing of property; and transacting all kinds of agency business commonly transacted by bankers.
- (b) To carry on business as capitalists, financiers, industrialists, concessionaires and general merchants and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations.

* *The original name of the Company was “Union Bank, Limited (友聯銀行有限公司)”. It was changed to “Union Bank of Hong Kong Limited (香港友聯銀行有限公司)” on 28th July 1965 pursuant to a special resolution passed on 8th July 1965. It was further changed to “Industrial and Commercial Bank of China (Asia) Limited 中國工商銀行（亞洲）有限公司” on 21st August 2000 pursuant to a special resolution passed on 7th August 2000.*

- (c) To establish, own, maintain and operate factories of all descriptions and kinds.
- (d) To carry on any other businesses, which may seem to the Company capable of being conveniently carried on in connection with the businesses of the Company, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (e) To acquire, and undertake the whole or any part of the business, property, and liabilities of any person, firm or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.
- (f) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction, which this Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend moneys to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company and to sell, hold, reissue, with or without guarantee, or otherwise deal with the same.
- (g) To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (h) To enter into any arrangements with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such government or authority, any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (i) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependants or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee moneys for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.
- (j) To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (k) Generally to purchase, take on lease or in exchange, hire or otherwise acquire, any real and personal property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, building, easements, machinery, plant and stock-in-trade.
- (l) To take, make, execute, enter into, commence, carry on, prosecute and defend all steps, contracts, agreements, negotiations, legal and other proceedings, and in particular exemption proceedings under the Landlord and Tenant Ordinance, compromises, arrangements and schemes and payment of any compensation under the said exemption proceedings and to do all other acts, matters and things which shall at any time appear conducive or expedient for the protection or benefit of the Company.
- (m) To hire, purchase, erect, or otherwise acquire godown or godowns for any of the purposes of the Company and to carry on the business of godownkeepers or warehousemen.
- (n) To construct, maintain and alter any buildings or works, necessary or convenient for the purposes of the Company.

- (o) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
- (p) To advance, deposit or lend moneys, securities and property to or with such persons and on such terms as may seem expedient and either with or without security and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts of any such persons.
- (q) To guarantee or become liable for the payment of moneys or for the performance of any obligation.
- (r) To transact all kinds of agency business.
- (s) To borrow or raise or secure the payment of moneys in such manner as the Company shall think fit, and in particular by the issue of debentures, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital, and to purchase, redeem or pay off any such securities.
- (t) To remunerate any person or company for services rendered, or to be rendered, in the conduct of its business.
- (u) To draw, make, accept, indorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (v) To discount, sell and deal in bills, bonds, notes, warrants, coupons, drafts and other negotiable or transferable securities or documents.
- (w) To undertake and execute any trusts the undertaking whereof may seem desirable, and also to undertake the office of executors, administrator, treasurer or registrar, and to keep for any company, government, authority or body any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.
- (x) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of the Company.
- (y) To obtain any provisional order or ordinance for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any legislation, proposals, proceedings, schemes or applications whether of a like nature to those previously indicated in this paragraph or not which may seem calculated directly or indirectly to prejudice the Company's interest.
- (z) To procure the Company to be registered or recognized in any country or place outside Hong Kong.
- (aa) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company.
- (bb) To purchase or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with property and rights of all kinds, and in particular mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, book debts, business concerns and undertakings and claims, privileges and choses in action of all kinds.

- (cc) To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence, and to avert or minimise financial disturbances which might affect the Company.
- (dd) To establish branches, agencies, and/or local boards in any place in Hong Kong and elsewhere abroad as the Company may from time to time think fit and the same to regulate, direct and discontinue, dispose of, or otherwise deal with as may seem expedient.
- (ee) To do all or any of the above things in any part of the world and as principals, agents contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with other or others.
- (ff) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word “company” in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and wheresoever domiciled, and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

Fourth:— The liability of the members of the Company is limited.

Fifth:— The authorized share capital of the Company shall comprise (i) HK\$5,160,000,000* divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000* ordinary shares of RMB2.00 each, and having the rights and being subject to the restrictions as provided for under the Articles of Association of the Company.

Reference in these Presents to “Shares” shall, unless expressly stated otherwise or the subject or context otherwise requires, be construed as referring to any or all classes of share capital then in existence and “Members” shall be construed accordingly.

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 rights, privileges or conditions and other 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.

Dividends may be paid in cash and denominated in any currency or by the distribution of specific assets or otherwise as provided by the Articles of Association of the Company and/or Regulations of the Company for the time being or otherwise.

* The original share capital of the Company was HK\$800,000,000 divided into 400,000,000 Ordinary Shares of HK\$2.00 each. It was changed to HK\$2,000,000,000 divided into 1,000,000,000 Ordinary Shares of HK\$2.00 each on 16th September 1999 pursuant to an ordinary resolution passed on 16th September 1999. It was further changed to HK\$3,160,000,000 divided into 1,000,000,000 ordinary shares of HK\$2.00 each and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each on 3rd July 2001 pursuant to a special resolution passed on 16th June 2001.

The share capital of the Company was further changed to HK\$5,160,000,000 divided into 2,000,000,000 ordinary shares of HK\$2.00 each, and 232,000,000 convertible non-cumulative preference shares of HK\$5.00 each on 22nd April 2004 pursuant to an ordinary resolution passed on 22nd April 2004. The share capital of the Company was further changed to (i) HK\$5,160,000,000 divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000 ordinary shares of RMB2.00 each on 23rd December 2011 pursuant to a special resolution passed on 23rd December 2011.

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
(Sd.) HUANG CHUN SIN Continental Manison 19th floor, Flat H, Hong Kong. Merchant	1
(Sd.) CHOW KA YU No. 333 Prince Edward Road, 3rd floor, Flat B, Kowloon. Merchant	1
(Sd.) CHOW KA WAN No. 333 Prince Edward Road, 3rd floor, Flat B, Kowloon. Merchant	1
Total	3

Dated the 11th day of November 1964.

WITNESS to the above signatures:—

(Sd). P.H. Woo
Solicitor
Hong Kong.

THE COMPANIES ORDINANCE
(Chapter 32 of the laws of Hong Kong)

Company Limited by Shares

ARTICLES OF ASSOCIATION
OF
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED
中國工商銀行（亞洲）有限公司

INTRODUCTORY

1. TABLE A NOT TO APPLY

The regulations in Table A in the First Schedule to the Companies Ordinance (Chapter 32) shall not apply to the Company.

INTERPRETATION

2. INTERPRETATION

- (1) In these Articles the words standing in the first column of the following table shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:

WORDS	MEANINGS
appointment	includes election (and appoint includes elect);
Articles	these articles of association, as originally adopted, or as from time to time altered in accordance with the Statutes;
Auditors	the auditors for the time being of the Company;
Banking Ordinance . . .	the Banking Ordinance (Chapter 155 of the laws of Hong Kong);
business day	a day (other than a Saturday or a Sunday) on which banks are generally open for business in Hong Kong;
Chief Executive	has the meaning ascribed thereto in the Banking Ordinance;
Company's Website . . .	the website of the Company, the address or domain name of which has been notified to members or any securities holder of the Company;
Directors	the directors for the time being of the Company;
HK\$ or Hong Kong dollars	means Hong Kong dollars, the lawful currency of Hong Kong;
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China;
holder	in relation to any share means the member whose name is entered in the Register as the holder of that share;
in writing	written, printed, typewritten or telexed or transmitted by facsimile, or visibly expressed in any other mode of representing or reproducing words, or partly one and partly another;
month	calendar month;
Office	the registered office for the time being of the Company;
Ordinance	the Companies Ordinance (Chapter 32 of the laws of Hong Kong);
paid up	includes credited as paid up;

Register	the register of members of the Company (including any branch register kept in accordance with the Statutes);
RMB	means Renminbi, the lawful currency of the People’s Republic of China.
Seal	the common seal of the Company or any official seal that the Company may have in accordance with the Statutes;
Securities Seal	an official seal kept by the Company by virtue of Section 73A of the Ordinance;
Statutes	the Ordinance and every other ordinance for the time being in force concerning companies and affecting the Company;
year	the year from 1st January to 31st December, inclusive;

- (2) Subject as aforesaid, any words defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- (3) Unless inconsistent with the subject or context, words importing the singular number shall include the plural number and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include corporations and bodies of persons.
- (4) The expression the “Secretary” shall (subject to the provisions of the Statutes) include a joint, assistant or deputy Secretary and any person appointed by the Directors to perform any of the duties of the Secretary.
- (5) The headings are inserted for convenience only and shall not affect the construction of these Articles.
- (6) A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.
- (7) References in these Articles to any statutory provision shall be construed as including references to:
 - (a) any statutory modification or re-enactment thereof;
 - (b) all subsidiary legislation, regulations or orders made pursuant thereto; and
 - (c) any statutory provisions of which such statutory provision is a re-enactment or modification.

REGISTERED OFFICE

3. Office

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

SHARE CAPITAL

4. Class of shares

Subject to the Statutes and to any rights conferred on the holders of any shares or class of shares, the capital may be divided into shares of different classes and in any other currencies each having, and any share may (without prejudice to any special rights or restrictions for the time

being attaching to any shares or any class of shares and without prejudice to the provisions regarding forfeiture and lien in these Articles) be issued with and subject to, such preferred, deferred, qualified or other special rights, or such restrictions, privileges or conditions whether with regard to dividends, voting, return of capital or otherwise, and such other terms and conditions, as the Company may from time to time by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution shall not make specific provision, as the Directors may decide.

The authorized share capital of the Company shall comprise (i) HK\$5,160,000,000 divided into 2,580,000,000 ordinary shares of HK\$2.00 each and (ii) RMB1,000,000,000 divided into 500,000,000 ordinary shares of RMB2.00 each, and having the rights and being subject to the restrictions as provided for under the Articles of Association of the Company. Reference in these Articles to “shares” shall, unless otherwise or the subject or context otherwise requires, be construed as referring to any or all classes of share capital then in existence and “Members” shall be construed accordingly.

5. Power to issue redeemable shares and subscription warrants

- (1) Subject to the Statutes, any share may be issued on terms that it is to be redeemed or is liable to be redeemed at the option of the Company or the holder.
- (2) The Directors may issue warrants or other rights and grant options to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Directors shall think fit with regard to the issue of any such new warrant.

INCREASE OF CAPITAL

6. Company may increase its capital

The Company may from time to time, by ordinary resolution, whether or not all the shares for the time being authorised shall have been issued, or all the shares for the time being issued shall have been fully paid up, increase all or any part of its capital by the creation of new shares of such amount and in such currency or currencies as may be deemed expedient.

7. Rights attached to new shares

Any resolution of the Company creating any new shares in the capital of the Company may, subject to the Statutes and without prejudice to the rights and privileges attached to any then existing shares in the capital, specify rights and privileges to be attached to such new shares and restrictions to which they shall be subject and may (subject to the Statutes) provide that the same are to be issued on terms that they are, or at the option of the holder or the Company are liable, to be redeemed and set out the terms on and the manner in which redemption of the same may be effected.

8. New shares considered as original capital

Subject to any direction or determination that may be given or made in accordance with the powers contained in these Articles, all shares in any class created on any increase of capital shall be subject to the provisions contained herein with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if they had been part of the original capital.

ALTERATION OF CAPITAL

9. Power to consolidate, sub-divide and cancel shares

- (1) The Company may, from time to time, by ordinary resolution:
 - (a) consolidate and divide all or any of its share capital in any class into shares of a larger amount than its existing shares;
 - (b) cancel any shares in any class 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
 - (c) subdivide of its existing shares or any of them, divide its share capital or any part thereof into several classes and/or shares of smaller amount than is fixed by its memorandum of association, so however that in the sub-division the proportion between the amount paid up and the amount (if any) not paid up on each such share of smaller amount shall be the same as it was in the case of the share from which it was derived. Any 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 such preferred or other special rights, or may have such qualified or deferred rights or be subject to such restrictions, as compared with the other or others, as the Company has power to attach to new shares.
- (2) Anything done in pursuance of this Article shall be done in any manner provided, and subject to any conditions imposed, by the Statutes, so far as they shall be applicable, and, so far as they shall not be applicable, in accordance with the terms of the resolution authorising the same, and, so far as such resolution shall not be applicable, in such manner as the Directors deem most expedient.

10. Reduction of capital

Subject to the provisions of the Statutes and these Articles, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any way.

PURCHASE OF OWN SHARES AND WARRANTS

11. Subject to the provisions of the Statutes, the Company may purchase its own shares of any class in the capital of the Company, including any redeemable shares or warrants or other securities carrying a right to subscribe for or purchase shares of the Company issued by the Company and, should the Company acquire its own shares or warrants or other such securities, neither the Company nor the Directors shall be required to select the shares or warrants to be acquired rateably or in any other particular manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares or warrants.

VARIATION OF RIGHTS

12. Variation of rights

- (1) Whenever the capital of the Company is divided into different classes of shares, all or any of the special rights or privileges attached to any class may be varied or abrogated, either with the consent in writing of holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise), and may be so varied or abrogated either whilst

the Company is a going concern or during or in contemplation of a winding up. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall apply *mutatis mutandis*, except that:

- (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be one or more persons holding or representing by proxy not less than one-third in nominal amount of the issued shares of the class;
 - (b) at an adjourned meeting the necessary quorum shall be one person holding shares of the class or his proxy;
 - (c) the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively; and
 - (d) a poll may be demanded by any one holder of shares of the class whether present in person or by proxy.
- (2) For the purposes of this provision any particular issue of shares not carrying the same rights (whether as to rate of dividend, redemption or otherwise) as any other shares for the time being in issue, shall be deemed to constitute a separate class of share.

13. Shares at the disposal of the Directors

All unissued shares shall (subject to any contract binding on the Company, the Statutes, these Articles and any resolution of the Company pursuant thereto) be at the disposal of the Directors, who may (subject to the provisions of any such contract, the Statutes, these Articles and any such resolution) allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of the same to such persons, at such times and generally on such terms as they think proper.

14. Allotments etc. of shares

The Company shall duly comply with any provisions of the Statutes regarding the allotment, issue and paying up of share capital.

15. Power to pay commission and brokerage

- (1) The Company may pay a commission to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Company, but such commission shall not exceed the limits permitted by the Statutes. Any such commission may be paid in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the Company, confer on any such person an option to call within a specified time for a specified number or amount of shares in the Company at a specified price not being less than par. The payment or agreement to pay a commission or the conferring of an option shall be in the discretion of the Directors on behalf of the Company and subject to the provisions of the Statutes.
- (2) The Company may also pay such brokerage as may be lawful.

16. Joint holders

The Company shall not be bound to register more than four persons as joint holders of any share (except in the case of executors or administrators of a deceased member), and any one of such registered joint holders may give effective receipts for any dividend or other moneys payable in respect of such share.

17. Exclusion of equities

Except as otherwise required by law or these Articles and notwithstanding any information received by the Company, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound 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 in respect of any share, except an absolute right to the entirety thereof in the registered holder.

CERTIFICATES

18. Issue of certificates

Subject to the Statutes, every person, except any person in respect of which the Company is not by law required to complete and have ready for delivery a certificate, whose name is entered in the Register as a holder of any shares shall be entitled, without payment, to receive, within 2 months after allotment or lodgement of a transfer to him of those shares, duly stamped and otherwise valid, (or within such other period as the conditions of issue may provide) one certificate for all his shares in any particular class or several certificates each for one or more of the shares of the class in question upon payment for every certificate after the first as the Directors may from time to time require, provided that:

- (a) in the event of a member transferring part of the shares represented by a certificate in his name, a new certificate in respect of the balance thereof shall be issued in his name without payment;
- (b) in the case of joint holders, the Company shall not be bound to issue more than one certificate for all the shares in any particular class registered in their joint names, and delivery of a certificate for a share to any one of several joint holders thereof shall be sufficient delivery to all; and
- (c) every share certificate shall be issued under the Seal (or under a Securities Seal or, in the case of shares on a branch register, an official seal for use in the relevant territory) and shall specify the number and class of shares to which it relates and the amount paid up thereon.

19. Replacement of certificates

If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new share certificate representing the same shares may be issued to the holder upon request and upon payment of such sum as the Directors may from time to time require, subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) subject to compliance with such conditions as to evidence and indemnity as the Directors may think fit and (in either case) to the payment of any exceptional expenses of the Company incidental to its investigation of the evidence of such alleged loss, theft or destruction.

CALLS ON SHARES

20. Directors may make calls

The Directors may, subject to any conditions of allotment, from time to time make such calls upon the members in respect of all moneys unpaid on their shares (whether in respect of nominal amount and/or premium) as they think fit and each member shall (subject to his receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. Any call may be made payable in one sum or by instalments and may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable therefor notwithstanding the subsequent transfer of the shares in respect whereof the call is made.

21. Time when made

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

22. Liability of joint holders

The joint holders of a share shall be jointly and severally liable for the payment of all calls and instalments due in respect of such share or other monies in respect thereof.

23. Interest on calls

If a call or instalment payable in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the amount is due shall pay interest on the amount of the call or instalment, from the day appointed for payment to the day of actual payment, at such rate (not exceeding 20 per cent. per annum) as the Directors shall from time to time determine, and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment but the Directors shall be at liberty to waive payment of such interest, costs, charges and expenses, wholly or in part.

24. Sums due on allotment etc. to be treated as calls

Any sum which by the conditions of allotment of a share is made payable on allotment, or at any fixed time, or by instalments at any fixed times, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date or dates fixed for payment and, in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all other relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided.

25. Power to differentiate

The Directors may make arrangements on any issue of shares for a difference between the holders of such shares in the amounts and times of payment of calls on their shares.

26. Payment of calls in advance

The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys payable upon his shares beyond the sum actually called up thereon and, upon all or any of the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow interest at such rate (not exceeding 20 per cent. per annum) as may be agreed upon between the Directors and the member paying such sum in advance. A 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 share or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Directors may also at any time repay the amount so advanced upon giving to such member one month's notice.

27. Rights suspended if payment in arrear

No member shall be entitled to receive any dividend, or (save as proxy for another member) to be present or vote at any general meeting, either personally or by proxy, or to exercise any privilege as a member, or be reckoned in a quorum in respect of any share held by him (whether alone or jointly with any other person) if and so long as he shall have defaulted in payment of any call or other sum for the time being due and payable on such share or any interest or expenses (if any) payable in connection therewith.

LIEN ON SHARES

28. Company to have lien on partly paid shares

- (1) The Company shall have a first and paramount lien and charge on all the shares not fully paid up, registered in the name of a member (whether solely or jointly with others), for any amount payable in respect of such shares. Such lien shall extend to all dividends and other moneys from time to time declared or payable in respect of such shares.
- (2) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien (if any) on such shares.
- (3) The Directors may resolve that any share or shares shall be waived or for some specified period be exempt, in whole or in part, from the provisions of this Article.

29. Sale of shares subject to lien

- (1) For the purpose of enforcing such lien, the Directors may sell all or any of the shares subject thereto in such manner as they may think fit, but no sale shall be made until:
 - (a) the date for payment of the amount referred to in paragraph (1) of the preceding Article shall have arrived;
 - (b) a notice demanding payment of the said amount and giving notice of intention to sell in default shall have been served in accordance with these Articles on such member or the person (if any) entitled by transmission to the shares; and
 - (c) default in such payment shall have been made by him for fourteen days after such notice.
- (2) The net proceeds of any such sale, after payment of the costs, shall be applied in or towards satisfaction of the said amount, and the residue (if any) 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 member or the person (if any) entitled by transmission to the shares.

30. Purchaser protected

To give effect to any such sale as aforesaid the Directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser and a sold note in respect 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 regularity or validity of or be affected by any irregularity in or invalidity of the proceedings or be bound to see to the application of the purchase money and the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

FORFEITURE OF SHARES

31. Notice of unpaid calls

If any member fails to pay the whole or any part of any call or instalment on or before the day appointed for the payment thereof, the Directors may, at any time thereafter during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him, requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

32. Notice to state time and place for payment

The notice shall name a further day, being not less than seven clear days from the date of such notice, on or before which such call or instalment, or part thereof as aforesaid, and all such interest and costs, charges and expenses as aforesaid are to be paid. It shall also name the place where payment is to be made and shall state that, in the event of non-payment on or before the day and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited.

33. Forfeiture on non-compliance with notice

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may, at any time thereafter before payment of all calls or instalments, interest, costs, charges and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Every forfeiture shall include all dividends declared in respect of the forfeited share, and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.

34. Notice of forfeiture to be given

When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share, or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture, with the date thereof, shall forthwith be made in the Register opposite to the entry of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

35. Power to annul forfeiture or surrender

Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited or surrendered share has been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender upon payment of all calls and interest due upon and costs, charges and expenses incurred in respect of the share, and upon such further conditions (if any) as they may think fit.

36. Sale of forfeited or surrendered shares

Every share which shall be forfeited or surrendered shall thereupon be deemed for the purposes of this Article to be the property of the Company, and (subject to the provisions of the Statutes) may be sold, re-allotted or otherwise disposed of, upon such terms and in such manner as the Directors shall think fit either to the person who was before the forfeiture the holder of such share or to any other person and whether with or without all or any part of the amount previously paid up on the share being credited as so paid up. The Directors may, if necessary, authorise some person to execute an instrument of transfer of a forfeited or surrendered share to any person to whom the same has been sold, re-allotted or disposed of.

37. Rights and liabilities of members whose shares have been forfeited or surrendered

A person any of whose shares have been forfeited or surrendered shall cease to be a member in respect of the forfeited or surrendered shares and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall, notwithstanding, be liable (unless payment is waived in whole or in part by the Directors) to pay to the Company all calls, instalments, interest, costs, charges and expenses owing upon or in respect of such share at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until payment at such rate (not exceeding 20 per cent. per annum) as the Directors shall think fit, in the same

manner as if the share had not been forfeited or surrendered, and to satisfy all the claims and demands (if any) which the Company might have enforced in respect of the share at the time of forfeiture or surrender, without any deduction or allowance for the value of the share at the time of forfeiture or surrender.

38. Title to forfeited or surrendered shares

A statutory declaration by a Director or Secretary of the Company that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company in pursuance of these Articles, and stating the day when it was forfeited, surrendered or sold, shall, as against all persons claiming to be entitled to the share, be conclusive evidence of the facts therein stated, and such declaration, together with a certificate in respect of such share, delivered to a purchaser or allottee thereof shall (subject to the execution of any necessary transfer and sold note) constitute a good title to the share, and the new holder thereof shall be discharged from all calls made prior to such purchase or allotment 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 omission, irregularity in or invalidity of or relating to or connected with the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

TRANSFER OF SHARES

39. Form of transfer

Subject to the restrictions in these Articles, a member may transfer all or any of his shares by an instrument of transfer in any usual form or in any other form which the Directors may approve.

40. Execution

The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee (provided that the Directors may dispense with the signing of the instrument of transfer by the transferee in any case which they think fit in their discretion to do so), and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. For the purpose hereof, signing shall mean either signing autographically by the transferor and/or the transferee. Shares of different classes shall not be comprised in the same instrument of transfer.

41. Retention of instruments

- (1) All instruments of transfer which shall be registered may be retained by the Company but any instrument of transfer which the Directors may refuse to register shall (except in any case where fraud or any other crime involving dishonesty is suspected in relation to such transfer) be returned to the person presenting the same.
- (2) Subject as hereinafter provided the Company, if so authorised by a resolution of the Directors, shall be entitled to destroy:
 - (a) at any time after the expiration of six years from the date of registration thereof, all instruments of transfer of shares in the Company and all other documents transferring or purporting to transfer shares in the Company or representing or purporting to represent the right to be registered as the holder of shares in the Company on the faith of which entries have been made in the Register;

- (b) at any time after the expiration of one year from the date of cancellation thereof, all registered share certificates which have been cancelled;
 - (c) at any time after the expiration of six years from the date of recording thereof, all dividend mandates and notifications of change of address; and
 - (d) at any time after the expiration of one year from the date of actual payment thereof, all paid dividend warrants and cheques.
- (3) It shall be presumed conclusively in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made, that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered, that every share certificate so destroyed was a valid certificate duly and properly cancelled, that every other document mentioned above so destroyed was a valid and effective document in accordance with the particulars thereof recorded in the books and records of the Company and that every paid dividend warrant and cheque so destroyed was duly paid; provided always that:
- (a) the provisions aforesaid shall apply only to the destruction of documents in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - (b) nothing herein contained 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 other circumstances in which liability would not attach to the Company in the absence of this Article;
 - (c) references herein to the destruction of any documents include references to the disposal thereof in any manner.

42. Directors' power to refuse to register transfers

- (1) The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer:
- (a) which is not fully paid up; or
 - (b) on which the Company has a lien.
- (2) The Directors may also refuse to register any transfer unless:
- (a) the instrument of transfer is in respect of only one class of shares;
 - (b) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;
 - (c) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to be transferred (except where the shares are registered in the name of a person to whom no certificate has been issued for them in accordance with Article 18) and such other evidence (if any) as the Directors may reasonably require to prove the title of the intending transferor or his right to transfer the shares; and
 - (d) the instrument of transfer is accompanied by payment of such fee as the Directors may from time to time require.

43. Notice of refusal to register

If the Directors refuse to register any transfer of any share, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferor and the transferee notice of the refusal.

44. Fees payable for transfer

- (1) The Company may require payment of such fee as the Directors may from time to time require in respect of the registration of any instrument of probate or letters of administration or confirmation as executor or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares (other than an instrument of transfer) or otherwise for making any entry in the register of members affecting the title to any shares.
- (2) Subject as otherwise provided by these articles, no fee shall be charged for registration of a transfer or other document relating to or affecting the title to any shares or for making any entry in the Register affecting the title to any share.

45. Power to suspend registration of transfers

The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended for more than thirty days in any year.

46. Renunciations

Nothing contained in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

TRANSMISSION OF SHARES

47. Transmission on death

In the case of the death of a member, the survivors or survivor 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 person or persons recognised by the Company as having any title to his shares; but nothing herein contained shall release the estate of a deceased holder, whether sole or joint, from any liability in respect of any share solely or jointly held by him.

48. Registration of personal representative, Trustee in Bankruptcy, etc.

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or in consequence of the making in respect of a member of an order by any court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder, may, upon producing such evidence of his title as the Directors shall require, and subject as herein provided, elect either to be registered himself as the holder of the share or to have some person nominated by him registered as the transferee thereof.

49. Notice of election to be registered

If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice signed by him, stating that he so elects. All the provisions of these Articles relating to the transfer of shares shall apply to the notice as if it were an instrument of transfer executed by the person from whom the title by transmission is derived.

50. **Registration of nominee**

If the person so becoming entitled shall elect to have his nominee registered, he shall execute and deliver or send to the Company an instrument of transfer of the share to that person. All the provisions of these Articles relating to the transfer of shares shall apply to the instrument of transfer as if the event upon which the transmission took place had not occurred and it were an instrument of transfer executed by the person from whom the title by transmission is derived.

51. **Rights of unregistered personal representative, Trustee in Bankruptcy, etc.**

- (1) A person so becoming entitled shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right (save as mentioned in Article 76) to receive notice of or to attend or vote at meetings of the Company or to any of the rights (other than the right to receive and give discharges for dividends or other moneys as aforesaid) or privileges of a member in respect of the share, unless and until he shall be registered as the holder thereof.
- (2) The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and, if after sixty days the notice has not been complied with, the board may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

LIMITATIONS ON SHAREHOLDINGS

52. **Transfer of shares to controllers**

- (1) Without prejudice to the requirements as may be imposed by the provisions of the Banking Ordinance from time to time, the Directors shall decline to register or approve the registration of any transfer of shares if, to the knowledge of the Directors, the registration or approval for registration of such shares would result in the transferee becoming a minority shareholder controller or a majority shareholder controller (as respectively defined in sub-paragraphs (3)(d) and (e) of Article 53 below) unless at the time the instrument of transfer is lodged for registration with the Company or at the time the approval of the Directors to such registration is sought there is accompanied with such instrument of transfer evidence satisfactory to the Directors that:
 - (a) the transferee has served on the Monetary Authority (as defined in sub-paragraph (3)(f) of Article 53 below) a written notice stating that the transferee intends to become such a controller of the Company; and
 - (b) the Monetary Authority has given notice to the transferee that it is satisfied that such person is a fit and proper person to become a controller of the description in question.
- (2) This Article shall remain in force for so long as Article 53 remains in force. Thereafter this Article shall be deemed to be of no effect but the validity of anything done under this Article before that date shall not otherwise be affected and any actions taken hereunder before that date shall not be open to challenge on any grounds whatsoever.

53. **Controllers**

- (1) The purpose of this Article is to prevent any person (other than a Permitted Person as defined below) becoming a minority shareholder controller or a majority shareholder controller of the Company without the prior approval of the Monetary Authority and to restrict the exercise of the voting power of any shares in respect of which such persons may be interested in circumstances where such approval has not been obtained.

- (2) This Article shall remain in force for so long as the Company is an authorised institution, unless the Monetary Authority otherwise agrees in writing. Thereafter this Article shall be deemed to be of no effect and any notice calling for a Required Disposal and the powers of the Directors under this Article in respect of a Required Disposal shall cease to have effect, but the validity of anything done under this Article before that date shall not otherwise be affected and any actions taken hereunder before that date shall not be open to challenge on any grounds whatsoever.
- (3) For the purpose of this Article:
- (a) “authorised institution” has the meaning ascribed thereto in the Banking Ordinance;
 - (b) “minority shareholder controller” has the meaning ascribed thereto in the Banking Ordinance;
 - (c) “majority shareholder controller” has the meaning ascribed thereto in the Banking Ordinance;
 - (d) “Monetary Authority” means the Monetary Authority appointed under section 5A of the Exchange Fund Ordinance (Cap. 66 of the laws of Hong Kong) or its successor;
 - (e) “Permitted Person” means:
 - (i) the chairman of a meeting of the Company or of a meeting of the holders of Relevant Shares or of any class thereof when exercising the voting rights conferred on him under paragraph (7) of this Article;
 - (ii) a trustee (acting in that capacity) of any employee share option scheme of the Company;
 - (iii) any person who has an interest but who, if the incidents of his interest were governed by the laws of Hong Kong would in the opinion of the Directors be regarded as a bare trustee of that interest, in respect of that interest only;
 - (iv) an underwriter in respect of interests in shares which exist only by virtue of a contingent obligation to purchase or subscribe for such shares pursuant to an underwriting or sub-underwriting agreement or, for a period of three months, in respect of interests in shares purchased or subscribed for by it pursuant to such an obligation;
 - (v) any other person who under arrangements approved by the Directors subscribes or otherwise acquires Relevant Shares (or interests therein) which has been allotted or issued with a view to that person (or purchasers from that person) offering the same to the public for a period not exceeding three months from the date of the relevant allotment or issue (and in respect only of the shares so subscribed or otherwise acquired);
 - (f) “Relevant Person” means any person (whether or not identified) who is, or who appears to the Directors or the Monetary Authority or any of them to be, a minority shareholder controller or a majority shareholder controller, or who is deemed for the purposes of this Article to be a Relevant Person;

- (g) “Relevant Shares” means all shares comprised in the Relevant Shares in which a Relevant Person has, or appears to the Directors or the Monetary Authority or any of them to have, an interest or which are deemed for the purposes of this Article to be the Relevant Shares; and
- (h) “Required Disposal” means a disposal or disposals of such a number of Relevant Shares as will cause a Relevant Person to cease to be a Relevant Person or to become a Permitted Person, not being a disposal to another Relevant Person (other than a Permitted Person) or a disposal which constitutes any other person (other than a Permitted Person) a Relevant Person;

and for the purposes of this Article, where the Directors resolve that they have made reasonable enquiries and that they are unable to determine:

- (i) whether or not a particular person has an interest in any particular shares comprised in Relevant Shares; or
- (ii) who is interested in any particular shares so comprised;

the shares concerned shall be deemed to be Relevant Shares and all persons interested in them to be Relevant Persons.

- (4) If, to the knowledge of the Directors, any person other than a Permitted Person is or is deemed to be or becomes a Relevant Person (including, without limitation, by virtue of being deemed to be one) without the prior consent of the Monetary Authority, or if the Monetary Authority shall give notice in writing to the Company requiring the Directors so to do, the Directors shall serve a written notice to all persons (other than persons referred to in paragraph (9) of this Article) who appear to the Directors to have interests in the Relevant Shares and, if different, the registered holders of those shares. The notice shall set out the restrictions referred to in paragraph (7) of this Article and shall call for evidence satisfactory to the Directors that the Monetary Authority has given notice of consent to the person becoming a Relevant Person to be produced to the Directors forthwith upon receipt of such notice or failing which shall call for a Required Disposal to be made within 21 days of the giving of the notice to the registered holder. The Directors with the written consent of the Monetary Authority may extend the period in which any such notice is required to be complied with and may withdraw any such notice (whether before or after the expiration of the period referred to) if it appears to them that there is no Relevant Person in relation to the shares concerned or if it appears that a Relevant Person is, or is resolved by the Directors to be, a Permitted Person. Upon the giving of such a notice, and save for the purpose of a Required Disposal under this or the following paragraph of this Article, no transfer in respect of any of the Relevant Shares may be registered until either the notice is withdrawn or a Required Disposal has been made to the satisfaction of the Directors and registered.
- (5) If a notice given under paragraph (4) of this Article has not been complied with in all respects to the satisfaction of the Directors and has not been withdrawn, the Directors shall, so far as they are able, make a Required Disposal or procure that a Required Disposal is made and shall give written notice of the disposal to those persons on whom the notice was served. The Relevant Person(s), the registered holder(s) and any other person interested in the shares forming the subject matter of the Required Disposal shall be deemed to have irrevocably and unconditionally authorised the Directors to make such Required Disposal. The manner, timing and terms of any such Required Disposal made or sought to be made by the Directors (including but not limited to the price or prices at which the same is made and the extent to which assurance is obtained that no transferee, except a Permitted Person, is or would become a Relevant Person) shall be such as the Directors determine, based on advice from bankers, brokers, or other appropriate persons consulted by them for the purpose, to be reasonably practicable having regard to all the circumstances, including but not limited to the number of shares to be disposed of and the requirement that the disposal be made without delay; and none of the Directors shall be liable

to any person for any of the consequences of reliance on such advice. If, in relation to a Required Disposal to be made by the Directors, Relevant Shares are held by more than one holder (treating joint holders of any Relevant Shares as a single holder) the Directors shall cause as nearly as practicable the same proportion of each holding (so far as known to them) of the Relevant Shares to be sold.

- (6) For the purpose of effecting any Required Disposal, the Directors may authorised in writing any person to execute any necessary transfer on behalf of any registered holder and may enter the name of the transferee in the Register in respect of the transferred shares notwithstanding the absence of any share certificate being lodged in respect thereof and may issue a new certificate to the transferee and an instrument of transfer executed by such person shall be effective as if it had been executed by the registered holder of the transferred shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of the disposal shall be received by the Company whose receipt shall be a good discharge for the purchase money, and shall be paid (without any interest being payable in respect of it and after deduction of any expenses incurred by the Directors in the sale) to the former registered holder (or in the case of joint holders, the first of them named in the Register) together with, if appropriate, a new certificate in respect of the balance of the Relevant Shares to which he is entitled upon surrender by him or on his behalf of any certificate(s) in respect of the Relevant Shares sold and formerly held by him.
- (7) A registered holder of a Relevant Share on whom a notice has been given under paragraph (4) of this Article shall not in respect of such Relevant Share be entitled, until such time as the notice has been complied with to the satisfaction of the Directors and the Monetary Authority or withdrawn, to attend or vote at any general meeting of the Company or meeting of the holders of Relevant Shares or of any class thereof, or to exercise any other right conferred by membership of the Company in relation to any such meeting; and the rights to attend (whether in person or by representative or proxy), to speak and to demand and vote on a poll which would have attached to the Relevant Share had it not been a Relevant Share shall vest in the chairman of any such meeting. The manner in which the chairman exercise or refrains from exercising any such rights shall be entirely at his discretion. The chairman of any such meeting shall be informed by the Directors of any share becoming or being deemed to be a Relevant Share.
- (8) The Directors may assume without enquiry that a person is not a Relevant Person unless the information contained in the Register kept by the Company appears to the Directors to indicate to the contrary or the Directors have reason to believe otherwise, in which circumstances the Directors shall make reasonable enquiries to discover whether and the extent to which any person is a Relevant Person.
- (9) The Directors shall not be obliged to serve any notice required under this Article to be served to any person if it does not know either his identity or his address. The absence of such a notice in those circumstances and any accidental error in or failure to give any notice to any person to whom notice is required to be given under this Article shall not prevent the implementation of, or invalidate, any procedure under this Article.
- (10) If any Directors has reason to believe that a person (not being a Permitted Person) is a Relevant Person, he shall inform the other Directors.
- (11) Save as otherwise provided in this paragraph, the provisions of these Articles applying to the giving of notice of meetings to members shall apply to the giving to a member of any notice required by this Article. Any notice required by this Article to be given to a person who is not a member, or who is a member whose registered address is not within Hong Kong and who has not given to the Company an address within Hong Kong at which notices may be given to him, shall be deemed validly served if it is sent through the post in a prepaid envelope addressed to that person at the address (or if more than one, at one of the addresses), if any, at which the

Directors believe him to be resident or carrying on business. The notice shall in such a case be deemed to have been served on the day following that on which the letter, envelope or wrapper containing the same is posted. Proof that the envelope was properly addressed, prepaid and posted shall be conclusive that the notice was given.

- (12) Any resolution or determination of, or decision or exercise of any discretion or power by, the Directors or any Director or by the chairman of any meeting under or pursuant to the provisions of this Article (including without prejudice to the generality of the foregoing as to what constitutes reasonable enquiry or as to the manner, timing and terms of any Required Disposal made by the Directors under paragraph (5) of this Article) shall be final and conclusive; and any disposal or transfer made or other thing done, by or on behalf of, or on the authority of, the Directors or any Director pursuant to the foregoing provisions of this Article shall be conclusive and binding on all persons concerned and shall not be open to challenge, whether as to its validity or otherwise on any ground whatsoever. The Director shall not be required to give any reasons for any decision, determination or declaration taken or made in accordance with this Article.
- (13) This Article shall apply notwithstanding any provision in any other of these Articles which is inconsistent with or contrary to it.

STOCK

54. Conversion of shares into stock

- (1) The Company may from time to time by ordinary resolution convert any fully paid up shares into stock and may 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 in the capital of the Company 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.
- (2) The holders of stock may transfer the same or any part of it in the same manner and subject to the same regulations as the shares from which the stock arose might prior to conversion have been transferred or as near to them as circumstances admit. The Directors may from time to time fix the minimum amount of stock transferable, but the minimum shall not, without the sanction of an ordinary resolution of the Company, exceed the nominal amount of each of the shares from which the stock arose.
- (3) The holders of stock shall, according to the amount of the stock held by them, have the same rights as regards dividends, voting at general meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right (except as to participation in dividends and in assets on a reduction of capital or a winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such right.
- (4) All of the provisions of these Articles which are applicable to paid up shares shall apply to stock and the words “share” and “shareholder” in these Articles shall include “stock” and “stockholder” respectively.

GENERAL MEETINGS

55. Annual General Meetings

The Company shall comply with the requirements of the Statutes regarding the holding of annual general meetings. Subject to such requirements, the Directors shall determine the date, time and place at which each annual general meeting shall be held.

56. Extraordinary General Meetings

All general meetings other than annual general meetings shall be called extraordinary general meetings.

57. Convening of Extraordinary General Meetings

- (1) The Directors may convene an extraordinary general meeting whenever they think fit.
- (2) Extraordinary general meetings shall also be convened by the Directors on the requisition of members pursuant to the provisions of the Statutes.

58. Class meetings

The provisions of these Articles relating to general meetings shall apply, with necessary modifications, to any separate general meeting of the holders of shares of a class held otherwise than in connection with the variation or abrogation of the rights attached to shares of the class. For this purpose, a general meeting at which no holder of a share other than an ordinary share may, in his capacity as a member, attend or vote shall also constitute a separate general meeting of the holders of the ordinary shares.

NOTICE OF GENERAL MEETINGS

59. Notice of Meetings

Twenty-eight days' public notice of an annual general meeting shall be given in the manner prescribed in the Ordinance. Subject to section 116C of the Ordinance:

- (a) at least twenty-one clear days' notice for every annual general meeting;
- (b) at least twenty-one clear days' notice for every general meeting at which it is proposed to pass a special resolution; and
- (c) at least fourteen clear days' notice for every other extraordinary general meeting (in each case exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given) shall be given in manner hereinafter mentioned to all members or securities holders (other than those who, under the provisions of these Articles, are not entitled to receive such notices from the Company), to the Directors and to the Auditors, but the accidental omission to give such notice to, or the non-receipt of such notice by, any member or securities holder or Director or the Auditors shall not invalidate any resolution passed or proceeding had at any such meeting.

60. What notice is to specify

- (1) Every notice of meeting shall specify the place, the day and the time of the meeting and, in the case of special business, the general nature of such business. In the case of a meeting convened for passing a special resolution, the notice shall also specify the intention to propose the Resolution as a special resolution.
- (2) In the case of an annual general meeting, the notice shall also specify the meeting as such.
- (3) Every notice of meeting shall also state with reasonable prominence that a member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote thereat instead of him and that a proxy need not also be a member.
- (4) Every notice of meeting shall also state the place where instruments of proxy are to be deposited if the Directors shall have determined such place to be other than at the Office.

PROCEEDINGS AT GENERAL MEETINGS

61. **Special business and business of annual general meetings**

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

- (a) declaring dividends;
- (b) the consideration of the documents required by the Statutes to be comprised in the accounts to be laid before such meeting;
- (c) the election of Directors in place of those retiring (by rotation or otherwise);
- (d) the re-appointment of the retiring Auditors provided that they were last appointed to such office by the Company in general meeting; and
- (e) the fixing of remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

62. **Quorum**

No business shall be transacted at any general meeting unless the requisite quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Two members, present in person or by proxy and entitled to vote, shall be a quorum for all purposes. If the Company has only one member, the sole member present in person or by proxy shall constitute a quorum.

63. **Adjournment if quorum not present**

If within 15 minutes from the time appointed for the holding of a general meeting a quorum be not present, the meeting shall stand adjourned to the same day in the next week (or if that day be a holiday, to the next business day thereafter), at the same time and place as the original meeting, or to such other day, and at such other time and place as the chairman of the meeting may determine and the provisions of Article 68 as to notices and as to business to be transacted shall apply. If at such adjourned meeting a quorum is not present within 15 minutes from the time fixed for holding the meeting, any one member who is present in person or by proxy and entitled to vote shall be a quorum.

64. **Chairman**

The chairman (if any) or failing him any vice chairman of the Board of Directors (the senior in office taking precedence if more than one) or, failing him, one of the Directors appointed for that purpose by the Directors or, failing such appointment, by the members present, shall preside at every general meeting, but if no Director shall be present within 15 minutes after the time fixed for holding the same or, if no one of the Directors present is willing to preside, the members present and entitled to vote shall choose one of their number to preside at the meeting.

65. **Directors and other persons entitled to attend and speak**

Each Director shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the Company. The chairman of the meeting may invite any person to attend and speak at any general meeting of the Company whom the chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting.

66. Resolutions and amendments

- (1) Subject to the Statutes, a resolution may only be put to the vote at a general meeting if the chairman of the meeting in his absolute discretion decides that the resolution may properly be regarded as within the scope of the meeting.
- (2) In the case of a resolution to be proposed as a special or extraordinary resolution no amendment may be made, at or before the time at which the resolution is put to the vote, to the form of the resolution as set out in the notice of meeting, except to correct a patent error or as may otherwise be permitted by law.
- (3) With the consent of the chairman of the meeting, a person who proposes an amendment to a resolution may withdraw it before it is put to the vote.
- (4) If the chairman of the meeting rules a resolution or an amendment to a resolution admissible or out of order (as the case may be), the proceedings of the meeting or on the resolution in question shall not be invalidated by any error in his ruling. Any ruling by the chairman of the meeting in relation to a resolution or an amendment to a resolution shall be final and conclusive.

67. Written resolution

- (1) Subject to the provisions of the Ordinance, 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 (or, being corporations, by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing sent by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents, and each such document shall be certified by the Secretary to contain the correct version of the proposed resolution.
- (2) Where the Company has only one member and that member takes any decision that may be taken by the Company in general meeting and that has effect as if agreed by the Company in general meeting, unless that decision is taken by way of a written resolution agreed in accordance with section 116B of the Ordinance, a written record of that decision shall be sufficient evidence of the decision having been taken by the member. The member shall provide the Company with such written record of the decision within 7 days after the decision is made provided that failure by the member to provide the written record within such time limit shall not affect the validity of any decision concerned.
- (3) The Company shall cause a record of all written records provided to the Company in accordance with this Article to be entered into a book kept for that purpose in the same way as minutes of proceedings of a general meeting of the Company.

68. Adjournment

- (1) With the consent of any meeting at which a quorum is present the chairman thereof may (and shall if so directed by the meeting) adjourn the same from time to time and from place to place.
- (2) In addition, the chairman of the meeting may at any time without the consent of the meeting adjourn the meeting (whether or not it has commenced or a quorum is present) to another time and/or place if, in his opinion, it would facilitate the conduct of the business of the meeting to do so.
- (3) Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, no person shall be entitled to any notice of an adjournment or of the business to be transacted at an 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.

69. **Voting and demand for poll**

- (1) At every general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless (before or upon the declaration of the result of the show of hands) a poll be demanded by:
 - (a) the chairman of the meeting; or
 - (b) at least three members present in person or by proxy having the right to vote on the resolution; or
 - (c) a member or members present in person or by proxy representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to attend and vote at the meeting; or
 - (d) a member or members present in person or by proxy holding shares conferring the right to attend and vote at the meeting 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;

and a demand for a poll by a person as proxy for a member shall be as valid as if the demand were made by the member himself.

- (2) A poll demanded on the appointment of a chairman of the meeting and a poll demanded on a question of adjournment shall both be taken at the meeting immediately and without adjournment.
- (3) A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting and the demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- (4) Unless a poll be so demanded (and the demand is not withdrawn), a declaration by the chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the books of proceedings of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

70. **How poll to be taken**

- (1) If a poll be demanded in manner aforesaid (and the demand is not withdrawn), it shall be taken at such time (either at the meeting at which the poll is demanded or within fourteen days after the said meeting) and place and in such manner as the chairman of the meeting shall direct and he may appoint scrutineers (who need not be members).
- (2) A poll demanded on a question of adjournment shall be taken at the meeting without adjournment.
- (3) It shall not be necessary (unless the chairman of the meeting otherwise directs) for notice to be given of a poll whether taken at or after the meeting at which it was demanded.
- (4) On a poll, votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
- (5) The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

71. Continuance of business after demand for poll

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.

72. Casting vote

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

VOTES OF MEMBERS

73. Voting rights

Subject to any special rights or restrictions as to voting for the time being attached to any shares and to the provisions of these Articles, 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 duly authorised representative shall have one vote and, on a poll, every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy, shall have one vote for every share of which he is the holder.

74. How votes may be given and who can act as proxy

On a poll votes may be given either personally or by proxy and a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. A proxy need not be a member of the Company and a member may appoint a maximum of two proxies to attend on the same occasion.

75. Representation of corporations which are members of the Company at meetings

Any corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meeting of the Company or of any class of members of the Company; and such representative 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 present at the meeting in person, including (without limitation) power to vote on a show of hands or on a poll and to demand or concur in demanding a poll.

76. Voting rights of joint holders

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 so that, if more than one of such joint holders shall tender a vote on the same resolution, whether personally or by proxy, the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of such share.

77. Voting rights of members incapable of managing their affairs

A member in respect of whom an order has been made by any Court having jurisdiction (whether in Hong Kong or elsewhere) in matters concerning mental disorder, may vote, whether on a show of hands or on a poll, by his receiver, curator bonis, or other person in the nature of a receiver or curator bonis appointed by such Court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the

authority of the person claiming to vote as aforesaid shall have been produced at the Office or at such other place as the Directors may determine at least 48 hours before the time fixed for holding the meeting or adjourned meeting (as the case may be) at which such person proposes to vote as aforesaid and in default the right to vote shall not be exercisable.

78. Objections to admissibility of votes

No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting or poll at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting or poll shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

79. Execution of proxies

The instrument appointing a proxy shall be in writing signed by the appointor, or his agent duly authorised in writing, or, if such appointor be a corporation, shall either be executed under its common seal or be signed by some agent or officer duly authorised in that behalf. The Directors may, but shall not be bound to, require evidence of the authority of any such agent or officer. The signature on such instrument need not be witnessed.

80. Proxy may demand a poll

The instrument appointing a proxy shall be deemed also to confer authority to demand or concur in demanding a poll.

81. Form of proxy

An instrument appointing a proxy shall be in any usual or common form or any other form which the Directors shall from time to time approve or accept.

82. Deposit of proxies

- (1) The instrument appointing a proxy shall be deposited at the Office (or at such other place as the Directors may determine) at least 48 hours before the time fixed for holding the meeting or, as the case may be, adjourned meeting (or, in the case of a poll, taken subsequently to the date of a meeting or adjourned meeting, at least 24 hours, before the time appointed for the taking of the poll) at which the person named in such instrument proposes to vote and an instrument of proxy which is not so delivered shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date named in it as the date of its execution. When two or more valid but differing instruments of proxy are delivered in respect of the same share for use at the same meeting, the one which is last delivered (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share. If the Company is unable to determine which was last delivered, none of them shall be treated as valid in respect of that share. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned.
- (2) In the case of an instrument signed by an attorney of a member who is not a corporation, there shall also be deposited, in manner set out in paragraph (1) above, the authority under which such instrument is signed or a certified copy thereof.

- (3) In the case of an instrument signed by an officer or agent of a corporation, there shall also be deposited, in manner set out in paragraph (1) above, the authority under which such instrument is signed, or a notarially certified copy thereof, or such other authorities or documents as shall be specified in the notice of the relevant meeting or in the notes to any instruments of proxy issued by the Company in connection with the relevant meeting.
- (4) In the event of the documents required by the foregoing paragraphs not being so deposited, the person named in the instrument of proxy shall not be entitled to vote in respect thereof.
- (5) No instrument of proxy shall be valid except for the meeting or meetings mentioned therein and any adjournment thereof.

83. Intervening death of principal etc. not to revoke proxy

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or the authority under which the same was executed or (until entered in the Register) the transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office (or at such other place at which the instrument of proxy was duly deposited) six hours at least before the time fixed for holding the meeting or adjourned meeting (or, in the case of a poll, before the time appointed for the taking of the poll) at which the vote is given or shall have been received by the Secretary or the chairman of the meeting on the day and at the place, but before the start, of the meeting or adjourned meeting or poll.

DIRECTORS

84. Appointment of Directors and Secretary in accordance with Banking Ordinance

All appointment of Directors, as well as of the Secretary and the person who for the time being is appointed Chief Executive shall be made in accordance with the provisions from time to time of the Banking Ordinance.

85. Number of Directors

Unless otherwise determined by an ordinary resolution of the members of the Company, the number of Directors shall be not less than three but with no maximum number.

86. Directors need not be members

A Director need not be a member of the Company but shall be entitled to receive notice of and to attend and speak at all general meetings of the Company and at all separate meetings of the holders of any class of shares of the Company.

87. Remuneration of Directors and expenses

- (1) The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting and such remuneration (unless such resolution otherwise provides) shall be divided among them in such proportion and manner as they may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

- (2) The Directors shall also be paid out of the funds of the Company all their travelling, hotel and other expenses properly and reasonably incurred by them in and about the discharge of their duties, including their expenses of travelling to and from meetings of the Directors, or committee meetings, or general meetings (subject always to the provisions of any agreement between the Company and any Director).

88. Special remuneration

The Directors 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. Any Director who holds any executive office (including for this purpose the office of Managing Director or Joint Managing Director whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director (including going or residing abroad in the interests of the Company), may be paid such special remuneration. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration (if any) as a Director, and may, without prejudice to the provisions of Article 101, be made payable by a lump sum or by way of salary, commission, participation in profits or otherwise as the Directors may decide.

APPOINTMENT AND RETIREMENT OF DIRECTORS

89. Appointment of Directors

- (1) The Company may by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or by way of an addition to their number.
- (2) No person (other than a Director retiring in accordance with these Articles) shall be appointed or re-appointed a Director at any general meeting unless:
- (a) he is recommended by the Directors; or
 - (b) not earlier than the day after the dispatch of the notice of the meeting and not later than 7 days prior to the date appointed for the meeting there has been lodged at the Office, by a member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose a resolution for the appointment or reappointment of that person and a notice executed by that person of his willingness to be appointed or re-appointed.

90. Separate resolutions for appointment of each Director

Every resolution of a general meeting for the appointment of a Director shall relate to one named person and a single resolution for the appointment of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.

91. The Directors' power to appoint additional Directors

Without prejudice to the power of the Company in general meeting in accordance with any of the provisions of these Articles to appoint any person to be a Director, the Directors may, at any time, and from time to time, appoint any person to be a Director, either to fill a casual vacancy or by way of addition to their number but so that the total number of Directors shall not exceed the maximum number fixed by Article 85. Any Director so appointed by the Directors shall hold office only until the next following annual general meeting of the Company, and shall then be entitled for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

92. Retirement of Directors by rotation

- (1) At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation, provided that every director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.
- (2) The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
- (3) The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:
 - (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
 - (b) where such Director has given notice in writing to the Company that he is unwilling to be re-elected; and
 - (c) where the default is due to the moving of a resolution in contravention of Article 90.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

93. Removal of Directors

- (1) The Company may by ordinary resolution remove any Director before his period of office has expired notwithstanding anything in these Articles or in any agreement between him and the Company and may by ordinary resolution appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy.
- (2) A Director may also be removed from office by giving him notice to that effect signed by a majority of the other Directors.
- (3) Any removal of a Director under this Article shall be without prejudice to any claim which such director may have for damages for breach of any agreement between him and the Company.

DISQUALIFICATION OF DIRECTORS

94. Vacation of office of Director

The office of a Director shall ipso facto be vacated:

- (a) if he ceases to be a Director by virtue of any provision of the Statutes or he becomes prohibited by law from being a Director; or
- (b) if he becomes bankrupt or a receiving order is made against him or he makes any arrangement or composition with his creditors generally; or
- (c) if he is, or may be, suffering from mental disorder and an order is made by a court claiming jurisdiction in that behalf (whether in Hong Kong or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person by whatever name called to exercise powers with respect to his property or affairs; or
- (d) if he shall for more than six months have been absent without special leave of absence from the Directors from meetings of the Directors held during that period, and they pass a resolution that he has by reason of such absence vacated office; or
- (e) if he serves on the Company of his wish to resign, in which event he shall ipso facto vacate office on the service of such notice on the Company or such later time as is specified in such notice; or
- (f) if he is removed in the manner provided in Article 93; or
- (g) if he is removed by special resolution of the Company in accordance with the Statutes.

ALTERNATE DIRECTORS

95. Power to appoint alternate Directors

- (1) Subject to the requirements as may be imposed by the provisions of the Banking Ordinance from time to time, each Director (other than an alternate Director) shall have the power to appoint any other Director, any director of any holding company of the Company or of any other subsidiary of that holding company or any other person who is willing to act and is acceptable to the Directors, to be an alternate Director, in his place, at any meeting of the Directors at which he is unable to be present, and at his discretion to remove such alternate Director.
- (2) On such appointment being made the alternate Director shall (except as regards the power to appoint an alternate) be subject in all respects to the provisions, terms and conditions of these Articles existing with reference to the other Directors of the Company, and each alternate Director, whilst acting in the place of an absent Director, shall be entitled to exercise and discharge all the powers and duties of the Director he represents, but shall look to such Director solely for his remuneration as alternate Director.
- (3) Any Director of the Company who is appointed an alternate Director shall be entitled to vote at a meeting of the Directors on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director, and shall also be considered as two Directors for the purpose of making a quorum of Directors when such quorum shall exceed two.
- (4) Any person appointed as an alternate Director shall vacate his office as such alternate Director if and when the Director by whom he has been appointed vacates his office as Director or removes him by notice to the Company or upon the happening of any event which, if he were a Director, would cause him to vacate such office.

- (5) Every instrument appointing or removing an alternate Director shall be in writing signed by the appointor (or in any other manner approved by the Directors) and shall be effective upon delivery at the Office or at a meeting of the Directors.
- (6) Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

POWERS OF DIRECTORS

96. General powers of Directors to manage Company's business

- (1) The business of the Company shall be managed by the Directors who may exercise all the powers of the Company to the extent that the same are not required by the Statutes or these Articles to be exercised by the Company in general meeting. Any exercise of such powers by the Directors shall be in accordance with the provisions of the Statutes and these Articles. No alteration of these Articles shall invalidate any prior act of the Directors which would have been valid if the same had not been passed or made.
- (2) The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article or by any resolution of the Company in general meeting.

97. Power to grant options

Without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Directors shall have the following powers:

- (a) 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
- (b) 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 and such commission or salary shall be treated as part of the working expenses of the Company.

98. Specific powers of Directors to make rules

Without limiting the generality of Article 96, the Directors shall have specific power to make, vary and to enforce such rules in connection with the management, operation and conduct of business of the Company and its subsidiaries as they deem desirable, provided that no such rule shall be inconsistent with or shall affect or repeal anything contained in the memorandum of association of the Company or these Articles and that any such rule shall comply with all legal and regulatory requirements imposed on or applicable to the Company.

99. Power to act notwithstanding vacancy

The continuing Directors or the sole continuing Director at any time may act notwithstanding any vacancy in their body; provided always that if the Directors shall at any time be reduced in number to less than the minimum number fixed by or in accordance with these Articles, it shall be lawful for him or them to act as Director(s) for the purpose of filling up vacancies in their body or convening general meetings of the Company or of the holders of any class of shares in the Company, but not for any other purpose. If there shall be no Director able or willing to act, then any two members may summon a general meeting for the purpose of appointing Directors.

100. Power to sign cheques, etc.

All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

101. Pensions, etc.

- (1) The Directors may procure the establishment and maintenance of or participate in, or contribute to any non-contributory or contributory pension or superannuating fund, scheme or arrangement or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to, any persons who are or shall have been at any time Directors of the Company or in the employment or service of the Company or of any company which is or was a subsidiary of or associated with the Company or of the predecessors in business of the Company or any such subsidiary or associated company or the wives, widows, families, relatives or dependants of any such persons.
- (2) The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well-being of the Company or of any such other company as aforesaid, or its members, and may make or procure payments for or towards the insurance of any such persons as aforesaid and subscriptions or guarantees for charitable or benevolent objects or for any exhibition or for any public, general or useful object.
- (3) Without prejudice to the generality of the foregoing paragraphs of this Article, the Directors may exercise any of the powers conferred by the Statutes to make provision for the benefit of any such persons as aforesaid in connection with the cessation or the transfer to any person of the whole or part of the undertaking of the Company or any of its subsidiaries.
- (4) The Directors may procure any of the matters aforesaid to be done by the Company either alone or in conjunction with any other company.

BORROWING POWERS

102. Power to borrow money

Subject as hereinafter provided, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge the whole or any part of its undertaking, property and assets (both present and future) and uncalled capital and (subject, to the extent applicable, to the provisions of the Statutes) to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

DIRECTORS INTERESTS, ETC.

103. Power of Directors to hold offices of profit and to contract with Company

- (1) Subject to the Statutes, no Director or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or position in the management, administration or conduct of the business of the Company or as vendor, purchaser or otherwise, nor (subject to the interest of the Director being duly declared) shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

- (2) A Director may hold any other office or place of profit with the Company (except that of the Auditor) in conjunction with his office of Director for such period (subject to the Statutes) and upon such terms as the Directors may decide and may be paid such extra remuneration for so doing (whether by way of salary, commission, participation in profits or otherwise) as the Directors may decide, either in addition to or in lieu of any remuneration under any other provision of these Articles.
- (3) Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditors of the Company.
- (4) Any Director may continue to be or become a member or director of, or hold any other office or place of profit under, any other company in which the Company may be interested, and no such Director shall be accountable for any dividend, remuneration, superannuating payment or other benefits received by him as a member or director of, or holder of any other office or place of profit under, any such other company. The Directors may also cause any voting power conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as they think fit, including the exercise of the voting power or power of appointment in favour of the appointment of the directors or any of them as directors or officers of the other company or in favour of the payment of remuneration to the directors or officers of the other company.
- (5) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall, if his interest in such contract or proposed contract is material, declare the nature of his interest at a meeting of the Directors at which the question of entering into the contract is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Directors after he knows that he is or has become so interested. For the purposes of this Article, a general notice given to the Directors by a Director to the effect that:
 - (a) he is a member of a specified company or firm and is to be regarded as interested in any other contract which may after the date of the notice be made with that company or firm; or
 - (b) he is to be regarded as interested in any contract 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 under this Article in relation to any such contract but no such notice shall be effective unless either it is given at a Directors' meeting or the Director takes reasonable steps to secure that it is brought up and read at the next Directors' meeting after it is given.

- (6) A Director shall not vote (or be counted in the quorum at a meeting) in respect of any resolution concerning his own appointment (including fixing or varying its terms), or the termination of 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 but, where proposals are under consideration concerning the appointment (including fixing or varying its terms), or the termination of the appointment, of two or more Directors to offices or places of profit with the Company or any other company in which the Company is interested, those proposals may be divided and a separate resolution may be put in relation to each Director and in that case each of the Directors concerned (if not otherwise debarred from voting under this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution unless it concerns his own appointment or the termination of his own appointment.

- (7) A Director shall also not vote (or be counted in the quorum at a meeting) in relation to any resolution relating to any contract or arrangement or other proposal in which he has an interest which is to his knowledge a material interest and, if he purports to do so, his vote shall not be counted, but this prohibition shall not apply and a Director may vote (and be counted in the quorum) in respect of any resolution concerning any one or more of the following matters:
- (a) the giving to him of any guarantee, indemnity or security in respect of money lent or obligations undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
 - (b) the giving to a third party of any guarantee, indemnity or security in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (c) where the Company or any of its subsidiaries is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which any of them is to participate;
 - (d) any contract in which he is interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his or their interest in shares or debentures or other securities of the Company;
 - (e) any contract concerning any other company (not being a company in which the Director in aggregate owns 5 per cent. or more) in which he is interested directly or indirectly whether as an officer, shareholder or creditor or otherwise howsoever;
 - (f) any contract concerning the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to Directors and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to which the fund or scheme relates;
 - (g) any contract for the benefit of employees of the Company or of any of its subsidiaries under which the Director benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or advantage not accorded to the employees to whom the contract relates; and
 - (h) any contract for the purchase or maintenance for any Director or Directors of insurance against any liability.
- (8) A company shall be deemed to be one in which a Director in aggregate owns 5 per cent. or more if and so long as (but only if and so long as) they are (either directly or indirectly) the holder of or beneficially interested in 5 per cent. or more of any class of the equity share capital of that company (or of any third company through which the interest of the Director is derived) or of the voting rights available to members of that company. For the purpose of this paragraph of this Article there shall be disregarded any shares held by the Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which the interest of him is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any shares comprised in an authorized unit trust scheme in which he is interested only as a unit holder.

- (9) Where a company in which a Director in aggregate own 5 per cent. or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (10) In the case of an alternate Director, an interest of his appointor shall be treated as an interest of the alternate in addition to any interest which the alternate otherwise has.
- (11) If any question arises at any meeting as to the materiality of an interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than the chairman of the meeting) to vote and the question is not resolved by his voluntarily agreeing to abstain from voting, the question shall be referred to the chairman of the meeting and his ruling in relation to the Director concerned shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned, so far as known to him, has not been fairly disclosed. If any question shall arise in respect of the chairman of the meeting and is not resolved by his voluntarily agreeing to abstain from voting, the question shall be decided by a resolution of the Directors (for which purpose the chairman shall be counted in the quorum but shall not vote on the matter) and the resolution shall be final and conclusive except in a case where the nature or extent of the interest of the chairman, so far as known to him, has not been fairly disclosed.
- (12) References in this Article to a contract include references to any proposed contract and to any transaction or arrangement whether or not constituting a contract.
- (13) Subject to the Statutes, the Company may by ordinary resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

PROCEEDINGS OF DIRECTORS

104. Board meetings, quorum and voting

- (1) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit and may determine the quorum necessary for the transaction of business. Until otherwise determined by the Directors, two Directors shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
- (2) The Directors may elect from their number a chairman and a vice chairman (or two or more vice chairmen) and determine the period for which each is to hold office.
- (3) If at any time there is more than one vice chairman the right in the absence of the chairman to preside at a meeting of the Directors or of the Company shall be determined as between the vice chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors.

105. Notice of meetings

A Director may at any time, and, on the request of any Director, the Secretary shall, call a meeting of the Directors. Notice of meetings of the Directors shall be given to all Directors. Notice of a meeting of the Directors shall be deemed to be duly given to a Director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose. A Director absent or intending to be absent from Hong Kong may request the Directors that notices of meetings of the Directors shall during his absence be sent in writing to him at his last known address or any other address given by him to the Company for this purpose, but such notices need not be given any earlier than

notices given to Directors not so absent and in the absence of any such request it shall not be necessary to give notice of a meeting of the Directors to any Director who is for the time being absent from Hong Kong. A Director may waive notice of any meeting either prospectively or retrospectively.

106. Chairman or other Director to preside

The chairman shall, if present and willing, preside at all meetings of the Directors, but if no such chairman be appointed, or if he be not present within five minutes after the time fixed for holding the meeting or is unwilling to act as chairman of such meeting, the Directors present shall choose one of their number to act as chairman of such meeting and the Director so chosen shall preside at such meeting accordingly.

107. Competence of board meetings and continuing Directors to act

- (1) A meeting of the Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion's for the time being vested in or exercisable by the Directors generally.
- (2) The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in their number but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles or is below the number fixed by or in accordance with these Articles as the quorum or there is only one continuing Director, the continuing Directors or Director may act for the purpose of filling vacancies or of summoning general meetings of the Company but not for any other purpose. If there be no Directors or Director able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

108. Power to appoint Committees

The Directors may from time to time appoint committees consisting of such member or members of their body as they think fit, and may delegate any of their powers to any such committee, and from time to time revoke any such delegation and discharge any such committee wholly or in part. Any committee so 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 Directors.

109. Procedure at Committee meetings

Subject to Article 108, committees may meet and adjourn as they think proper. The meetings and proceedings of any such committee consisting of two or more Directors shall be governed equally by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the Article 108. Questions arising at any meeting shall be determined by a majority of votes of the members present and, in the case of an equality of votes, the chairman of a meeting shall have a second or casting vote.

110. Resolutions in writing and conference meetings

- (1) A resolution in writing signed or approved in writing by a majority of the Directors or their alternates entitled to notice of a meeting of the Directors or by a majority of the members of a committee for the time being shall be as valid and effectual as if it had been passed at a meeting of the Directors or, as the case may be, such committee duly called and constituted. Such resolution may be contained in one document or in several documents in like form, each signed and approved by one or more of the said Directors or the said members of the committee concerned.

- (2) (a) a meeting of the Directors or of a committee of the Directors may consist of a conference between Directors or members of the committee some or all of whom are in different places provided that each Director, or as the case may be, member of the committee who participates is able:
- (i) to hear each of the other participating Directors or members of the committee addressing the meeting; and
 - (ii) if he so wishes, to address all of the other participating Directors or members of the committee simultaneously;
- whether directly, by conference telephone or by any other form of communications equipment (whether or not such equipment is available when this Article is adopted) or by a combination of those methods;
- (b) a quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Directors or members of the committee required to form a quorum; and
 - (c) a meeting held in this way is deemed to take place at the place where the largest group of participating Directors or, as the case may be, members of the committee is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates.

111. Validity of acts of Directors so appointed

All acts bona fide done by any meeting of the Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and qualified to be a Director and had continued to be a Director and had been entitled to vote.

112. Minutes and books

- (1) The Directors shall cause minutes to be made in books provided for the purpose:
- (a) of all appointments of officers made by the Directors;
 - (b) of the names of all the Directors present at each meeting of the Directors and of any committee of Directors; and
 - (c) of all resolutions and proceedings of all meetings of the Company and of any class of members, and of the Directors and of any committee of Directors;

and any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such appointments were made or such Directors were present or such resolutions were passed or proceedings held (as the case may be), or by the chairman of the next succeeding meeting of the Company or Directors or committee (as the case may be), shall be sufficient evidence without any further proof of the facts therein stated.

- (2) Any register, index, minute book, book of account or other book required by these presents or the Statutes to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner which shall include, without prejudice

to the generality thereof, recording by means of magnetic tape, microfilm, computer or any other non-manual system of recording. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating its discovery.

113. Appointment of General Manager

- (1) The Directors may from time to time appoint a General Manager or General Managers 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.
- (2) The appointment of such General Manager or General Managers may be for such period as the Directors may decide and the Directors may confer upon him or them all or any of the powers of the Directors as they may think fit.
- (3) For the purposes of the preceding two Articles the Directors may enter into such Agreement or Agreements with any such General Manager or General Managers upon such terms and conditions in all respects as the Directors may in their absolute discretion think fit.

MANAGING DIRECTOR, ETC.

114. Appointment

- (1) The Directors may from time to time appoint one or more of their number to any office or employment under the Company (including, but without limitation, that of Managing Director or Joint Managing Director) for such period and on such terms as they think fit, and may also permit any person appointed to be a Director to continue in any office or employment held by him before he was so appointed. The Directors may also from time to time (without prejudice to any claim for damages for breach of any agreement between him or them and the Company) remove him or them from office and appoint another or others in his place or their places.
- (2) The appointment of any Director to the office of Managing Director or Joint Managing Director shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

115. Appointment of Directors to executive office

Subject to Article 114, the appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

116. Remuneration of Directors so appointed

The remuneration and other terms and conditions of appointment of a Director appointed to any office or employment under the Company pursuant to the last preceding Article shall from time to time (without prejudice to the provisions of any agreement between him and the Company) be fixed by the Directors, and may (without prejudice to the provisions of Article 101) be by way of fixed salary, or commission on dividends, profits or turnover of the Company or of any other company in which the Company is interested or other participation in any such profits or otherwise or by any or all or partly by one and partly by another or others of those modes and either in addition or inclusive of his remuneration as a Director.

117. Powers and duties of Directors so appointed

The Directors may, from time to time, entrust to and confer upon a Director appointed to any office or employment pursuant to Article 114 such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions, as they may consider expedient, and may confer such powers collaterally with, or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

LOCAL MANAGEMENT

118. Power to appoint local managers

- (1) The Directors may, from time to time, provide for the management and transaction of the affairs of the Company in or from any specified locality, whether in Hong Kong or elsewhere, in such manner as they think fit, and the provisions contained in the two next following Articles shall be without prejudice to the general powers conferred by this Article.
- (2) The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

119. Power to appoint attorney

The Directors may, at any time, and from time to time, by power of attorney under the Seal, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as the Directors may from time to time think fit, and such appointment may (if the Directors think fit) be made in favour of any body corporate, or of the members, directors, nominees or managers of any body corporate or unincorporate, or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Directors, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorney as the Directors may think fit.

120. Power to sub-delegate

Any such delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities or discretions for the time being vested in him.

SECRETARY

121. Appointment of Secretary

Subject to the requirements of the Banking Ordinance, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may (without prejudice to any claim for damages for breach of any contract between him and the Company) be removed by them. If thought fit two or more persons may be appointed as joint secretaries.

122. Dual capacity

A provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

123. Assistant Secretary

The Directors may, at any time and from time to time, appoint one or more Assistant Secretaries and anything required or authorised to be done by or to the Secretary may be done by or to any Assistant Secretary so appointed; and any Assistant Secretary may (without prejudice to any claim for damages for breach of any contract between him and the Company) be removed by the Directors.

SEAL

124. Seal

- (1) The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors in that behalf. The Company may exercise the powers conferred by the Statutes with regard to having an official seal for use in any territory outside Hong Kong, and such powers shall be vested in the Directors. Whenever 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.
- (2) The Directors may from time to time make such regulations as they think fit (subject to the provisions of these Articles) determining the persons and the number of such persons who shall sign every instrument to which the Seal is affixed save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine (either generally or in any particular case or cases) that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Until otherwise so determined, every such instrument shall be signed by any two Directors or any two persons authorised for the purpose by the Directors, and, in favour of any purchaser or person bona fide dealing with the Company, the signatures of such persons shall be conclusive evidence of the fact that the Seal has been properly affixed.
- (3) Every certificate of shares, debentures, debenture stock or representing any other form of security of the Company (other than letters of allotment, receipts for securities or certificates of deposit) shall be issued under the Seal or the Securities Seal. The Securities Seal shall only be used for sealing securities mentioned in this paragraph. Any such documents sealed with the Securities Seal shall not require to be signed.

AUTHENTICATION OF DOCUMENTS

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

DIVIDENDS

126. Application of profits in payment of dividends

Subject to the provisions of the Statutes and of these Articles and to any rights, privileges or restrictions for the time being attached to any shares in the capital of the Company having preferential or special rights in regard to dividend, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up thereon respectively otherwise than in advance of calls, provided that if any share be issued upon terms providing that it shall rank for dividend as from or after a particular date, or be entitled to dividends declared or paid after a particular date, such share shall rank for or be entitled to dividend accordingly.

127. Declaration of dividends

Subject to the provisions of the Statutes the Company may, from time to time, by ordinary resolution, declare a dividend to be paid to the members, according to their rights and interests in the profits, and may fix the time for payment of such dividend.

128. No larger dividend than recommended by Directors

No larger dividend shall be declared than is recommended by the Directors, but the Company may by ordinary resolution declare a smaller dividend.

129. Fixed and interim dividends

- (1) Subject to the provisions of the Statutes, if and to the extent that the Directors think fit and the position of the Company in their opinion justifies such payment, the Directors may declare and pay dividends on shares carrying an entitlement to fixed dividends in accordance with the rights attached thereto and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.
- (2) Provided that the Directors act bona fide, they shall not incur any responsibility to the holders of shares conferring a preference for any damage that they may suffer by reason of the payment of a dividend on any shares not ranking *pari passu* or in priority thereto in respect of dividends.

130. No interest payable on dividends, etc.

No dividend or other moneys payable on or in respect of a share in the capital of the Company shall bear interest against the Company.

131. Power to satisfy dividend in specie, fractional certificates and cash adjustments

With the sanction of an ordinary resolution of the Company and upon the recommendation of the Directors any dividend may be paid and satisfied, either wholly or in part, by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company, or partly in one way and partly in another or others, and where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, 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 vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite, a contract shall be filed in accordance with Section 45 of the Ordinance, and the Directors may appoint any person to sign such contract on behalf of the person entitled to the dividend, and such appointment shall have effect accordingly.

132. Deduction of debts due to Company

The Directors may deduct from any dividend or other moneys payable in respect of any shares held by a member, either alone or jointly with any other member, all such sums of money (if any) as may be presently due and payable by him, either alone or jointly with any other person, to the Company in relation to shares of the Company.

133. Moneys payable by cheque

Any moneys payable in respect of any share (whether by way of return of capital, dividend, interest or otherwise) may (unless otherwise directed by the member or other person entitled thereto) be paid by cheque or warrant sent through the post to the registered address of such member or person entitled thereto, or, in the case of joint holders, to the registered address of that one whose name stands first in the Register in respect of the joint holding, and (unless otherwise directed as aforesaid) every such cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the Company shall not be responsible for any loss in transmission, and payment of the cheque or warrant shall be a good discharge to the Company.

134. Joint shareholders to give receipt

If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

135. Profits and losses from property purchased

Subject to the provisions of the Statutes, where any asset, business or property is bought by the Company as from a past date the profits and losses thereof as from such date may at the discretion of the Directors in whole or in part be carried to revenue account and treated for all purposes as profits or losses of the Company. Subject as aforesaid, if any shares or securities are purchased cum dividend or interest, such dividend or interest may at the discretion of the Directors be treated as revenue, and it shall not be obligatory to capitalise the same or any part thereof.

RESERVES

136. Power to provide for depreciation and carry profits to reserve

The Directors may, before recommending any dividend, write off such sums as they think proper for depreciation, and carry forward in the revenue accounts any profits as they think should not be divided, and may also set aside out of profits of the Company such sum or sums as they think proper as a reserve or reserves, which shall at the discretion of the Directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company, or for repairing, maintaining or adding to the property of the Company, or for such other purposes as the Directors shall, in their absolute discretion, think fit, and pending any such application may, at the discretion of the Directors, either be employed in the business of the Company, or be invested in such investments (other than shares in the Company) as the Directors may from time to time think fit.

137. Reserves

The Directors may establish such reserve accounts and may divide the Company's reserves into such special funds as they may think fit. The Directors may also carry forward any profits which they may think prudent not to divide without placing the same to reserves.

CAPITALISATION OF RESERVES, ETC.

138. Capitalisation of reserves

- (1) The Company may at any time and from time to time, upon the recommendation of the Directors, by ordinary resolution resolve that any sum not required for the payment or provision of any fixed preferential dividend and standing, at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional, to the credit of any reserve accounts of the Company (including Share Premium Account and Capital Redemption Reserve) or to the credit of profit and loss account (whether or not the same be available for distribution) be capitalised, and that such sum be appropriated as capital to and amongst the holders of ordinary shares in the capital of the Company in proportion to the nominal amount of the ordinary shares held by them respectively at the time the ordinary resolution is passed or, if such resolution is conditional, at the time it becomes unconditional or at such other time as may be stipulated in such resolution, and that the Directors shall in accordance with such resolution apply such sum in paying up in full or in part any unissued shares or debentures of the Company on behalf of such holders of ordinary shares in the capital of the Company, and appropriate such shares or debentures to and distribute the same credited as fully or partly paid up amongst such holders of ordinary shares in the capital of the Company in the proportions aforesaid in satisfaction of their shares and interests in the said capitalised sum, or shall apply such sum or any part thereof on behalf of such holders of ordinary shares in the capital of the Company in paying up the whole or part of any amounts which shall for the time being be unpaid in respect of any issued shares in the Company held by them respectively, or otherwise deal with such sum as directed by such resolution; provided that:
 - (a) any sum standing to the credit of any Share Premium Account or Capital Redemption Reserve may only be applied in paying up unissued shares to be allotted as fully paid up; and
 - (b) any sum not available for distribution in accordance with the Statutes may only be applied in paying up in full or in part unissued shares to be allotted as fully or partly paid up.
- (2) Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may make such provisions as they think proper for the case of shares or debentures becoming distributable in fractions (including, but without

limitation, provisions for the issue of fractional certificates, for the sale and distribution of the proceeds of sale of shares or debentures representing such fractions, and provisions whereby the benefit of fractional entitlements accrue to the Company rather than the members concerned) and further the Directors may fix the value for distribution of any fully paid-up shares or debentures, make cash payment to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any shares or debentures in trustees upon such trusts for the persons entitled to share in the distribution as may seem just and expedient to the Directors. When deemed requisite, a proper contract for the allotment and acceptance of any shares or debentures to be distributed as aforesaid shall be executed and (if necessary) filed in accordance with any applicable provisions of the Statutes, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the distribution, and such appointment shall be effective, and the contract may provide for the acceptance by such persons of the shares or debentures to be allotted to them respectively in satisfaction of their claims in respect of the sum so distributed, and any such contract shall be effective and binding on all such persons.

139. **Scrip Dividend**

- (1) Whenever the Directors or the Company in General Meeting have resolved that a dividend be paid or declared on any class of share capital of the Company and, in respect of any class of share capital other than ordinary share capital, with the sanction of an ordinary resolution of holders of such shares, the Directors may further resolve either:
 - (a) that shareholders entitled to such dividend be entitled to elect to receive an allotment of shares of any class credited as fully paid in lieu of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Directors;
 - (ii) the Directors, after determining the basis of allotment, shall give not less than fourteen days' notice in writing or by electronic means as provided in these Articles to the holders of such shares 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;
 - (iii) if the Directors so resolve, 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;
 - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares of such class in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares of the relevant class shall be allotted credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of the amount standing to the credit of share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any conversion reserve or reserves or special account (other than any conversion right reserve established in connection with any rights to convert into or subscribe for shares in the Company)) as the Directors may determine, such sum as may be required to pay up in full (to the nominal value thereof) the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis; or

- (b) that such dividend be satisfied wholly or in part in the form of an allotment of shares of any class credited as fully paid provided that shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Directors so resolve) in cash in lieu of such allotment. In such case, the following provisions shall apply:
 - (i) the basis of any such allotment shall be determined by the Directors;
 - (ii) the Directors, after determining the basis of allotment, shall give not less than fourteen days' notice in writing or by electronic means as provided in these Articles to the holders of such shares 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;
 - (iii) 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 satisfaction thereof shares of the relevant class shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Directors shall capitalise and apply out of the amount standing to the credit of share premium account or out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserve or reserves or special account (other than any conversion right reserve established in connection with any rights to convert into or subscribe for shares in the Company)) as the Directors may determine, such sum as may be required to pay up in full (to the nominal value thereof) the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis.
- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with any shares of the relevant class then in issue save only (if relevant) as regards participation in the relevant dividend;
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article, with full power to the Directors to make such provisions as they think 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 Directors may authorise any person to enter on behalf of all members interested into 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.
- (3) The Company may upon the recommendation of the Directors by ordinary resolution (and, in respect of any share capital other than ordinary share capital, with the sanction of an ordinary resolution of holders of such shares) resolve in respect of any one particular dividend of the Company that, notwithstanding the provisions of paragraph (1) of this Article, a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to shareholders of the relevant class to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Directors may on any occasion when they resolve as provided in paragraph (1) of this Article further resolve that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to shareholders with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration

statement or other special formalities, the allotment of shares or the circulation of an offer of rights of election for shares would or might, in the opinion of the Directors, be unlawful or impracticable and in such event the only entitlement of the shareholders aforesaid shall be to receive the relevant dividend resolved to be paid or declared. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.

RECORD DATES

140. Fixing of record dates

- (1) Notwithstanding any other provisions of these Articles, but without prejudice to any rights attached to any shares, the Company or the Directors may fix a date as the record date by reference to which a dividend will be declared or paid or a distribution, allotment or issue made, and that date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared, paid or made.
- (2) In the absence of a record date being fixed, entitlement to any dividend, distribution, allotment or issue shall be determined by reference to the date on which the dividend is declared or the distribution, allotment or issue is made.

ACCOUNTS

141. Directors to keep proper accounting records

The Directors shall cause proper accounting records of the Company to be kept and the provisions of the Statutes in this regard shall be complied with.

142. Where accounting records to be kept

The accounting records shall be kept at the Office, or, subject to section 121(3) of the Ordinance, at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

143. Inspection of records

The Directors shall, from time to time, determine whether in any particular case, or class of cases, or generally, and at what times, and places, and under what conditions or regulations, the accounting records of the Company, or any of them, shall be open to the inspection of the members, and no member, not being a Director, shall have any right of inspecting any account, book or document of the Company, except as conferred by law or authorised by the Directors or by any ordinary resolution of the Company, nor shall any such member be entitled to require or receive any information concerning the business, trading or customers of the Company, or any trade secret of or secret process used by the Company.

144. Balance sheet and profit and loss accounts

- (1) The Directors shall, from time to time, in accordance with the Statutes, cause to be prepared and to be laid before the annual general meeting of the Company such profit and loss accounts, balance sheets, group accounts (if any), reports of the Directors and of the Auditors and other documents (if any) as are required by the Statutes. Each balance sheet shall be signed on behalf of the Directors by two of their number.
- (2) A printed copy, or in accordance with the provisions of the Ordinance and these Articles, an electronic copy, of the said Directors' report, of every balance sheet and profit and loss accounts, including every document required by law to be annexed to it, shall, not less than twenty-one

days (or as such requirements prescribed in the Ordinance from time to time) before the meeting, be delivered or sent by post, or in accordance with the provisions of the Ordinance and these Articles, by electronic means, to the registered address of every member, debenture holder and any securities holder of the Company, or in the case of a joint holding to that member or debenture holder or securities holder (as the case may be) whose name stands first in the appropriate Register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.

AUDIT

145. Provisions of Statutes regarding Auditors

- (1) The provisions of the Statutes as to the appointment, powers, rights, remuneration and duties of the Auditors shall be complied with and, subject to the provisions of the Statutes, all acts done by any person acting as an auditor of the Company shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment, or subsequently became, disqualified.
- (2) An auditor of the Company shall be entitled to attend any general meeting and to receive all notices of and other communications relating to any general meeting which any member is entitled to receive and to be heard at any general meeting on any part of the business of the meeting which concerns him as Auditor.

NOTICES

146. Notices to be in writing

Subject to the Ordinance, any notice to be given to or by any person pursuant to these Articles shall be:

- (1) in writing; or
- (2) by publication on the Company's Website in the manner as prescribed in the Ordinance from time to time; or
- (3) by transmission to the electronic number or address of the member or the securities holder of the Company in the manner as prescribed in the Ordinance from time to time; or
- (4) by any other means permitted under the Ordinance;

except that a notice calling a meeting of the Directors need not be in a manner prescribed above.

147. Service of notices

- (1) A notice or other document (including a share certificate) may be served on or delivered to any member or securities holder by the Company either personally, or by sending it by mail, postage prepaid (and, in any case where the registered address of a member or securities holder is outside Hong Kong, by prepaid airmail), addressed to such member or securities holder at his registered address or by leaving it at that address addressed to the member or securities holder or by any other means authorized in writing by the member or securities holder concerned or by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating in Hong Kong, or, other than with respect to the delivery of share certificate and to the extent permitted by the Ordinance, and all applicable laws and regulation, by electronic means by the transmission of it to an electronic number, address or website

supplied by the member or the securities holder either to the Company or by publication on the Company's Website. In the case of a member or a securities holder registered on a branch register any such notice or document may be posted either in Hong Kong or in the territory in which such branch register is maintained.

- (2) Any such notice or other document may be served or delivered by the Company by reference to the Register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice or other document is served on or delivered to any person in respect of a share in accordance with these Articles, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.

148. Registered address of member

Each member shall, from time to time, notify in writing to the Company some place which shall be deemed his registered address for the purposes of the last preceding Article.

149. Notice to joint holders

All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register in respect of such share, and notice so given shall be sufficient notice to all the holders of such share.

150. Service on Company

Any summons, notice, order or other document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or by leaving the same or sending it by mail, postage prepaid (and, if posted outside Hong Kong, by prepaid airmail), addressed to the Company or to such officer at the Office.

151. Proof of postage to be sufficient proof of service

Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail or prepaid airmail (as the case may be). Any notice or other document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was left. Any notice or other document served or delivered by the Company by any other means authorized in writing by the member or the securities holder concerned shall be deemed to have been served when the Company has carried out the action it has been authorized to take for that purpose. Any notice or other document published by way of advertisement shall be deemed to have been served or delivered on the day it was so published. Any notice given by electronic means as provided in these Articles, and in the manner as prescribed in the Ordinance from time to time, shall be deemed to have been served and delivered at the expiration of 48 hours if the notice or document is being (i) transmitted to the electronic number or address supplied by the member or the securities holder to the Company, or (ii) published on the Company's Website, when such notice or document is published. The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

152. Members present at meeting deemed to have received due notice

Any member present, either personally or by proxy, at any meeting of the Company or class of members of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

153. Successors in title to be bound by notices to predecessors

Every person who, by operation of law, transfer or any other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such shares which previously to his name and address being entered in the Register shall be duly given to the person from whom he derives his title to such shares.

154. Service of notice to be sufficient notwithstanding death or bankrupt of member

Any notice or document served upon or sent to, or left at the registered address of, any member in pursuance of these Articles, 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 share held by such member, whether held solely or jointly with other persons, until some other person be registered instead of him as the holder or joint holder of such share, and such service shall, for all purposes of these Articles, be deemed a sufficient service of such notice or document on his executors, administrators or assigns, and all persons (if any) jointly interested with him in such share.

155. Signature on notices

The signature to any notice to be given by the Company may be written or printed or by electronic means.

WINDING UP

156. Directors' power to present winding-up petition

The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

157. Rule for division of assets in liquidation

If the Company shall be wound up, the surplus assets remaining after payment of all creditors shall be divided among the members in proportion to the capital which at the commencement of the winding up is paid up, or ought to have been 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, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. But this Article is to be subject to the rights attached to any shares which may be issued on special terms or conditions.

158. Powers to distribute in specie

If the Company shall be wound up the Liquidator (whether voluntary or official) may, with the sanction of a special resolution of the Company, divide among the members in specie any part of the assets of the Company, or vest any part of the assets of the Company in trustees upon such trusts for the benefit of the members or any of them as the resolution shall provide. Any such resolution may provide for and sanction a distribution of any specific assets amongst different classes of members otherwise than in accordance with their existing rights.

159. Members abroad to give address for service

In the event of a winding up of the Company every member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice on the Company appointing some person resident in Hong Kong upon whom all summonses, notices, processes, orders and judgements in relation to or under the winding up of the Company may be served, and in default of such nomination the Liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such member for all purposes, and where the Liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such member by advertisement in any leading Hong Kong daily newspaper, or by a letter sent by registered or recorded delivery post and addressed to such member at his registered address, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

INDEMNITY

160. Indemnity of Directors and officers

Subject to the provisions of the Statutes, every Director, Managing Director, Chief Executive so named, General Manager, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.