

**RE-PRINT OF
MEMORANDUM**

AND

NEW ARTICLES OF ASSOCIATION
(As adopted by Special Resolution passed on 5th October, 2007)

OF

CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED
中國信達(香港)資產管理有限公司

Incorporated the 21st day of April, 1999.

HONG KONG

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THE COMPANIES ORDINANCE (CHAPTER 32)

SPECIAL RESOLUTION

OF

CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED

中國信達(香港)資產管理有限公司

Passed on the 5th day of October, 2007.

Pursuant to the authority given by Section 116B of the Companies Ordinance (Chapter 32), all the shareholders for the time being of **CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED** ("the Company") entitled to receive notice of and to attend and vote at general meetings of the Company resolved that the following resolution be passed as a special resolution of the Company :-

SPECIAL RESOLUTION

"THAT the regulations contained in the document marked "A" now produced and for the purpose of identification signed by a director of the Company be adopted as the new articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company."

Dated the 5th day of October, 2007.

(Sd.) GU JIANGUO

GU JIANGUO

(Sd.) MA YILIN

MA YILIN

No. 672995

編號

[COPY]

**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

CHINA XIN DA (HK) ASSET MANAGEMENT CO., LIMITED
中國信達(香港)資產管理有限公司

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

CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED
中國信達(香港)資產管理有限公司

Issued by the undersigned on 17 May 1999.

本證書於一九九九年五月十七日簽發。

(Sd.) 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)

Company No: 672995

COMPANIES ORDINANCE
(CHAPTER 32)

SPECIAL RESOLUTION

OF

CHINA XIN DA (HK) ASSET MANAGEMENT CO., LIMITED
中國信達(香港)資產管理有限公司

Passed on 5th May, 1999

By reference to the Resolution in Writing of all the Shareholders of the Company passed on 5th May, 1999, the following resolution was duly passed as Special Resolution:

“That the name of the Company be changed to CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED 中國信達(香港)資產管理有限公司 with effect from the date of issue of the relevant Certificate of Incorporation on Change of Name by the Registrar of Companies.”

(SD CHEN Wanbin)

CHEN Wanbin
Shareholder
Date: 5th May, 1999

(SD TAN Jiansheng)

TAN Jiansheng
Shareholder
Date: 5th May, 1999

No. 672995

編號

(C O P Y)

COMPANIES ORDINANCE
(CHAPTER 32)

香港法例第32章
公司條例

CERTIFICATE OF INCORPORATION

公司註冊證書

I hereby certify that

本人謹此證明

CHINA XIN DA (HK) ASSET MANAGEMENT CO., LIMITED

中國信達(香港)資產管理有限公司

is this day incorporated in Hong Kong under the Companies Ordinance, and that
於本日在香港依據公司條例註冊成為
this company is limited.

有限公司。

Issued by the undersigned on 21 April 1999.

本證書於一九九九年四月廿一日簽發。

(Sd.) 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)

Private Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED
中國信達(香港)資產管理有限公司

*First:—The name of the Company is “CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED 中國信達(香港)資產管理有限公司”.

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

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

- (1) To import, export, buy, sell (wholesale and retail), exchange, barter, let on hire, distribute and otherwise deal in and turn to account, as principal, agent or in any other capacity whatsoever, goods, materials, commodities, produce and merchandise generally in their prepared, manufactured, semi-manufactured and raw state.
- (2) To purchase or otherwise acquire and hold, in any manner and upon any terms, and to underwrite and deal in, shares, stocks, debentures, debenture stock, annuities, bonds, notes, mortgages, obligations and securities and foreign exchange, foreign currency deposits and commodities, and from time to time to vary any of the same, and to exercise and enforce all rights and powers incidental to the Company's interest therein, and to carry on business as an investment trust, and to invest or deal with the moneys of the Company not immediately required for its operations in such manner as the Company may think fit.
- (3) To acquire, sell, own, lease, let out on hire, administer, manage, control, operate, construct, repair, alter, equip, furnish, fit out, decorate, improve and otherwise undertake and deal in engineering and construction works, buildings, projects, offices and structures of all kinds.
- (4) To manufacture, construct, assemble, design, repair, refine, develop, alter, convert, refit, prepare, treat, render marketable, process and otherwise produce materials, fuels, chemicals, substances and industrial, commercial and consumer products of all kinds.
- (5) To promote, purchase or otherwise acquire and undertake the whole or any part of the business, goodwill, assets and liabilities of any person, firm or company; to acquire an interest in, amalgamate with or enter into partnership, union of interest, joint-venture or co-operation with any person, firm or company, to promote, sponsor, establish, constitute, form, participate in, organise, manage, supervise and control any corporation, company, syndicate, fund, trust, business or institution.
- (6) To purchase or otherwise acquire and to hold, own, license, maintain, work, exploit, farm, cultivate, use, develop, improve, sell, let, surrender, exchange, hire, convey or otherwise deal in lands, mines, natural resources and mineral, timber and water rights, wheresoever situate, and any interest, estate and rights in any real, personal or mixed property and any franchises, right, licences or privileges, and to collect,

* The name of the Company was changed to its present name on 17th May, 1999.

manage, invest, reinvest, adjust, and in any manner to dispose of the income, profits, and any interest arising therefrom.

- (7) To improve, manage, develop, sell, let, exchange, invest, reinvest, settle, grant licences, easements, options, servitudes and other rights over, or otherwise deal with all or any part of the Company's property, undertaking and assets (present and future) including uncalled capital, and any of the Company's rights, interests and privileges.
- (8) To carry on business as auctioneers; appraisers; aeroplane and automobile manufacturers; bakers and manufacturers of and dealers in bread, flour, biscuits and farinaceous compounds and materials of every description; brewers and manufacturers of and dealers in beer, wines, aerated waters and liquors of every description; confectioners; tobacconists; chemists and dealers in Chinese medicines; dairymen and dealers in all kinds of dairy products, dressmakers and dealers in fabrics, cotton, yarn and silk; garage proprietors and dealers of petrol, gasoline, and all types of motor vehicles; glass manufacturers; iron mongers; jewellery, precious stones, watch and clock dealers, manufacturers and designers; launderers; cleaners; newspaper and omnibus proprietors; paper manufacturers; pawnbrokers; dealers in ropes and rubber; tailors; valuers, surveyors, land and estate agents.
- (9) To carry on all or any of the businesses of ship-owners, shippers, ship and boat-builders, charterers, shipping and forwarding agents, ship managers, wharfingers, lightermen, stevedores, packers, storers, fishermen and trawlers, and to establish, maintain, and operate sea, air, inland waterway enterprises (public and private) and all ancillary services.
- (10) To purchase or otherwise acquire, take in exchange, charter, hire, build, construct, own, work, manage, operate and otherwise deal with any ship, boat, barge or other waterborne vessel, hovercraft, balloon, aircraft, helicopter or other flying machine, coach, wagon, carriage (however powered) or other vehicle, or any share or interest therein.
- (11) To carry on business as consulting engineers in all fields including without limitation civil, mechanical, chemical, structural, marine, mining, industrial, aeronautical, electronic and electrical engineering, and to provide architectural, design and other consulting services of all kinds.
- (12) To purchase or otherwise acquire, take upon lease, construct, equip, maintain, work and use, railways, tramways, bridges, ferries, canals, roads, telegraphs, telephones, and other means of communication, and to acquire running powers, rights or easements over any railway, tramway, or other property.
- (13) To carry on the business of travel agents, tourist agents and contractors, cable and telegraph companies' agents, bankers, banking, forwarding and general agents, aircraft and ship owners and charterers, agents for operators of air, sea, land or inland water-way carriage undertakings, road transport owners and hirers, hotel, apartment and lodging-house keepers, caterers and storekeepers, teachers of languages, promoters and managers of clubs and societies (travelling, social, educational or otherwise), publishers of books, periodicals and newspaper sellers, foreign correspondents and advertising agents, and generally to facilitate travelling, and to provide for tourists and travellers or promote the provision of facilities of every description, and in particular by means of the booking of travel tickets and accommodation and hotel and lodging accommodation, providing guides, safe deposits, inquiry bureaux and baggage transport, and arranging and operating tours.
- (14) To carry on the business of carriers by all means of transport by land, sea, inland waterway and air and to handle airfreight or to act as airfreight agents.
- (15) To carry on the business of manufacturers and dealers (whether by wholesale or retail) in all kinds of surgical, scientific, electrical, electronic, chemical, photographic goods and apparatus, and of merchants generally.
- (16) To carry on the business of linotype setters, metal and alloy makers and refiners, die sinkers, relief stampers, gold blockers, engravers, photographers, lithographers, artists, designers and draftsmen.
- (17) To carry on the business of spinning or manufacturing and dealing in cotton or other fibrous substances,

and the preparation, dyeing or colouring or bleaching of any of the said substances, and as dealer or manufacturer of all types of clothings, stockings, garments, and shoes.

- (18) To carry on all or any of the business of manufacturers of and dealers in cement, clay, bricks, tiles, marbles, sand and other artificial stones, crystals, gravels, building materials, minerals and all types of metals, gold, silver, selangor and steel, plastic or paper goods, candles, joss-sticks and incense of all kinds.
- (19) To apply for, purchase or otherwise acquire any brevets d'invention, patents, patent rights, copyrights, trade marks, formulas, licences, concessions, and any intellectual and industrial property, technology, protections and the like, conferring any exclusive or non-exclusive or limited privilege or right to use, or any secret or other information as to, any invention, know-how, device, secret, system, process, information, discovery or development and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account, the property, rights, technology or information so acquired.
- (20) To carry on the business of advisers, consultants, researchers, analysts and brokers of whatsoever kind or nature in all branches of trade, commerce, industry and finance, and to provide or procure the provision of every and any service or facility required by any person, firm or company.
- (21) To carry on business as insurance brokers and agents, and underwriting agents in all classes of insurance and as insurance advisers and consultants, pensions and investment advisers, consultant assessors, average adjusters and mortgage brokers; to carry on the business of an insurance and guarantee company in all its branches (excluding fire, life and marine insurance).
- (22) To carry on all or any of the businesses of hoteliers and restaurateurs, and proprietors, sponsors and managers of social clubs, nightclubs, recreation, health and sport centres, sauna and steam bath rooms, computer or electronic game centres, marinas, stadia and all kinds of sporting, swimming, skiing, parachuting and golfing equipments, balls, rackets, clothings and shoes; and leisure activities and games.
- (23) To carry on business as farmers, graziers, dealers in and breeders of livestock, horticulturists and market gardeners.
- (24) To carry on all or any of the businesses of printers, publishers, designers, draftsmen, journalists, press and literary agents, tourist and travel agents and operators, advertisers, advertising and marketing agents and contractors, personal and promotional representatives, artists, sculptors, decorators, illustrators, photographers, film makers, producers and distributors, publicity agents and display specialists.
- (25) To enter into, carry on and participate in financial transactions and operations of all kinds.
- (26) To carry on any other business or activity and do any act or thing which in the opinion of the Company is or may be capable of being conveniently carried on or done in connection with any of the above, or likely directly or indirectly to enhance the value of or render more profitable all or any part of the Company's property or assets or otherwise to advance the interests of the Company or its Members.
- (27) To provide agency, corporate, office, secretarial services and other related business or services to any person, firm or company, and to act as nominee, director, secretary, shareholder, officer, manager, attorney, custodian and trustee of any kind and to undertake and execute any trust, deeds and documents.
- (28) To enter into any commercial or other arrangements with any government or authority, supreme, municipal, local or otherwise, or with any corporation, company or person and to obtain or enter into any legislation, orders, charters, contracts, decrees, rights, privileges, licences, franchises, permits and concessions for any purpose and to carry out, exercise and comply with the same and to make, execute, enter into, commence, carry on, prosecute and defend all steps, contracts, agreements, negotiations, legal and other proceedings, compromises, arrangements and schemes and to do all other acts, matters and things which shall at any time appear conducive or expedient for the advantage or protection of the Company.
- (29) To invest in, lend and advance money and grant and provide credit and financial or other accommodation to any person, firm or company.

- (30) To borrow or raise money in such manner as the Company shall think fit and in particular by the issue (whether at par or at a premium or discount and for such consideration as the Company may think fit) of bonds, debentures or debenture stock (payable to bearer or otherwise), mortgages or charges, perpetual or otherwise, and if the Company thinks fit charged upon all or any of the Company's property (both present and future) and undertaking including its uncalled capital and further, if so thought fit, convertible into any stock or shares of the Company or any other company, and collaterally or further to secure any obligations of the Company by a trust deed or other assurance.
- (31) To guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets and rights (present and future) and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any moneys whatsoever (including but not limited to capital, principal, premiums, interest, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company whatsoever including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by Section 2 of the Companies Ordinance (Cap. 32)) of the Company or of the Company's holding company or is otherwise associated with the Company in its business, and to act as agents for the collection, receipt or payment of money, and to enter into any contract of indemnity or suretyship (but not in respect of fire, life and marine insurance business).
- (32) To take out insurance in respect of any and all insurable risks which may affect the Company or any other company or person and to effect insurance (and to pay the premiums therefor) in respect of the life of any person and to effect re-insurance and counter-insurance, but no business amounting to fire, life or marine insurance business may be undertaken.
- (33) To draw, make, accept, endorse, negotiate, discount, execute, issue, purchase or otherwise acquire, exchange, surrender, convert, make advances upon, hold, charge, sell and otherwise deal in bills of exchange, cheques, promissory notes, and other negotiable instruments and bills of lading, warrants, and other instruments relating to goods.
- (34) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or directors or past employees or directors of the Company or of its predecessors in business, or the dependants or connexions of any such persons; and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general, or useful object.
- (35) To give any remuneration or other compensation or reward (in cash or securities or in any other manner the Directors may think fit) to any person for services rendered or to be rendered in the conduct or course of the Company's business or in placing or procuring subscriptions of or otherwise assisting in the issue of any securities of the Company or any other company formed or promoted by the Company or in which the Company may be interested in or about the formation or promotion of the Company or any other company as aforesaid.
- (36) To grant or procure pensions, allowances, gratuities and other payments and benefits of whatsoever nature to or for any person and to make payments towards insurances or other arrangements likely to benefit any person or advance the interests of the Company or of its Members.
- (37) To pay all expenses preliminary or incidental to the formation and promotion of the Company or any other company and the conduct of the business of the Company or any other company.
- (38) To procure the Company to be registered or recognised in any territory.
- (39) To cease carrying on and wind up any business or activity of the Company, and to cancel any registration of and to wind up and procure the dissolution of the Company in any territory.
- (40) To distribute any part of the undertaking, property and assets of the Company among its creditors and Members in specie or in kind but so that no distribution amounting to a reduction of capital may be made without the sanction (if any) for the time being required by law.

- (41) To establish and carry on institutions of education, instruction or research and to provide for the giving and holding of lectures, scholarships, awards, exhibitions, classes and meetings for the promotion and advancement of education or the dissemination of knowledge generally.
- (42) To appoint agents, experts and attorneys to do all or any of the above matters and things on behalf of the Company or any thing or matter for which the Company acts as agent or in any other way whatsoever interested or concerned in any part of the world.
- (43) To do all and any of the above matters or things in any part of the world and either as principal, agent, contractor, trustee or otherwise and by or through trustees, agents, or otherwise and either alone or in conjunction with others, and generally upon such terms and in such manner and for such consideration and security (if any) as the Company shall think fit including the issue and allotment of securities of the Company in payment or part payment for any property acquired by the Company or any services rendered to the Company or as security for any obligation or amount (even if less than the nominal amount of such securities) or for any other purpose.
- (44) To do all such acts or 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 shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Hong Kong or elsewhere and the intention is that the objects specified in each paragraph of this Clause shall except where otherwise expressed in such paragraph, be independent main objects and shall 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 is limited.

Fifth:—The Share Capital of the Company is HK\$10,000.00 divided into 10,000 shares of HK\$1.00 each and the Company shall have power to divide the original or any increased capital into several classes, and to attach thereto any preferential, deferred, qualified, or other special rights, privileges, restrictions or conditions.

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each subscriber
<p>(Sd.) 譚建生 TAN Jiansheng (譚建生) Flat B, 3rd Floor, Glory Garden, 18 Jupiter Street, Hong Kong Merchant</p> <p>(Sd.) 陳万斌 CHEN Wanbin (陳万斌) Flat B, 3rd Floor, Glory Garden, 18 Jupiter Street, Hong Kong Merchant</p>	<p>One</p> <p>One</p>
<p>Total Number of Shares Taken</p>	<p>Two</p>

Dated the 15th day of April, 1999.
WITNESS to the above signatures:-

(Sd.) WU Zhaozhong
Merchant
Flat D, 6th Floor, Block B,
Glory Garden, 18 Jupiter Street,
Hong Kong

THE COMPANIES ORDINANCE (Chapter 32)

Private Company Limited by Shares

NEW ARTICLES OF ASSOCIATION

(As adopted by Special Resolution passed on 5th October, 2007)

OF

CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED

中國信達(香港)資產管理有限公司

Table A

1. The regulations contained in Table "A" in the First Schedule to the Companies Ordinance, Chapter 32 shall not apply to the Company.

Interpretation

2. In these Articles, unless there be something in the subject or context inconsistent therewith:-

"the Ordinance" means the Companies Ordinance, Chapter 32 and any statutory modification for the time being in force;

"these Articles" means the present Articles of Association for the time being in force;

"the Directors" means the Directors for the time being of the Company or (as the context may require) the majority of Directors present and voting at the meeting, or if the Company has only one Director, the sole Director of the Company;

"the Secretary" means the person or corporation for the time being appointed to perform the duties of the Secretary of the Company;

"the Seal" means the common seal from time to time of the Company;

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

Words importing the masculine gender only include the feminine gender.

Words importing persons include companies and corporations.

Expressions used in these Articles referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

Wherever any provision of these Articles (except a provision for the appointment of a proxy) requires that a communication as between the Company, its Directors or members be effected in writing, the requirement may be satisfied by the communication being given in the form of an electronic record if the person to whom the communication is given consents to it being given to him in that form.

Wherever any provision of these Articles requires that a meeting of the Company, its Directors or members be held, the requirement may be satisfied by the meeting being held by such lawful electronic means and in such manner as may be agreed by the Company in general meeting.

Unless the context otherwise requires, words or expressions used in these Articles shall have the same

meaning as in the Ordinance or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

Any provision of these Articles that refers (in whatever words) to –

- (a) the members or shareholders of the Company;
- (b) a majority of members or shareholders of the Company; or
- (c) a specified number or percentage of members or shareholders of the Company;

shall, unless the context otherwise requires, apply with necessary modifications if the Company has only one member or shareholder, as the case may be.

Any provision of these Articles that refers (in whatever words) to –

- (a) the Directors of the Company;
- (b) the board of Directors of the Company;
- (c) a majority of the Directors of the Company; or
- (d) a specified number or percentage of the Directors of the Company;

shall, unless the context otherwise requires, apply with necessary modifications if the Company has only one Director.

Private Company

3. The Company shall be a private company and accordingly the following provisions shall have effect:–

- (a) The number of members for the time being of the Company (not including persons who are in the employment of the Company and persons who, having been formerly in the employment of the Company, were while in that employment and have continued after the determination of that employment to be, members of the Company) is not to exceed fifty, but where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this paragraph, be treated as a single member.
- (b) Any invitation to the public to subscribe for any shares or debentures or debenture stock of the Company is hereby prohibited.
- (c) The right of transfer of shares shall be restricted as hereinafter provided.
- (d) The Company shall not have power to issue share warrants to bearer.

Share Capital and Variation of Rights

4. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.

5. Subject to the provisions of the Ordinance, shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder thereof on such terms and in such manner as may be provided by these Articles.

6. If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holder or holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

8. The Company may exercise the powers of paying commissions conferred by Section 46 of the Ordinance, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be

disclosed in the manner required by the said Section and the rate of the commission shall not exceed the rate of 10 *per cent* of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 *per cent* of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.

9. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

10. Every person whose name is entered as a member in the register of members shall be entitled without payment to receive within two months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for 1 or more of his shares upon payment of HK\$5 for every certificate after the first or such less sum as the Directors shall from time to time determine. Every certificate shall be under the Seal, or under the official seal kept by the Company under Section 73A of the Ordinance, and shall specify the shares to which it relates and the amount paid up thereon. Provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

11. If a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee of HK\$5 or such less sum and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence as the Directors think fit.

Purchase of Own Shares

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

Lien

13. The Company shall have the first and paramount lien upon all the shares registered in the name of each member and upon the proceeds of sale thereof, for his debts, liabilities and engagements, solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares.

14. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the shares, or the person entitled thereto by reason of his death or bankruptcy.

15. To give effect to any such sale, the Directors may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

16. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Calls on Shares

17. The Directors may from time to time make such calls as they may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments.

18. Fourteen days' notice at least of any call shall be given specifying the time and place of payment and

to whom such call shall be paid. A copy of the said notice shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

19. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Directors shall appoint.

20. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be required to be paid by instalments.

21. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

22. The Directors may from time to time at their discretion extend the time fixed for payment of any call, and may extend such time as to all or any of the members, whom for residence outside Hong Kong or other cause the Directors may deem entitled to any such extension, but no member shall be entitled to any such extension except as a matter of grace and favour.

23. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding 15 *per cent per annum* as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

24. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

25. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

26. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

27. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) 10 *per cent per annum*, as may be agreed upon between the Directors and the member paying such sum in advance.

Transfer of Shares

28. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

29. Subject to such of the restrictions of these Articles as may be applicable, any member may transfer all or any of his shares by instrument in writing in any usual or common form or any other form which the Directors may approve.

30. The Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register a transfer of any share, whether or not it is a fully paid share.

31. The Directors may also decline to recognize any instrument of transfer unless:—

(a) a fee of HK\$5 or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of share.

32. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended in any year for more than thirty days or, where the period for closing the register of members is extended in respect of that year under Section 99(2)(a) of the Ordinance, for more than that extended period.

33. The Company shall be entitled to charge a fee not exceeding HK\$5 on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, or other instrument.

Transmission of Shares

34. In case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

35. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that member before his death or bankruptcy, as the case may be.

36. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.

37. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Forfeiture of Shares

38. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

39. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

41. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.

42. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

43. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

44. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Conversion of Shares into Stock

45. The Company may by ordinary resolution convert any paid-up shares into stock, and reconvert any stock into paid-up shares of any denomination.

46. The holders of stock may transfer the same, or any part thereof, in the same manner, and subject to the same Articles, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

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

48. All such provisions of these Articles as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".

Alteration of Capital

49. The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.

50. The Company may by ordinary resolution—

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association subject, nevertheless, to the provisions of Section 53(1)(d) of the Ordinance;
- (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

51. The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with, and subject to, any incident authorized, and consent required, by law.

Allotment of Shares

52. (a) The shares in the Company shall be under the control of the Directors who may allot or otherwise dispose of the same to such person or persons and on such terms and conditions as they shall think fit.

(b) The Directors shall not exercise any power conferred on them under Article 52(a) to allot shares in the Company without the prior approval of the Company in general meeting where such approval is required by Section 57B of the Ordinance.

General Meetings

53. The Company shall in each year hold a general meeting as its annual general meeting in addition to any

other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year.

54. All general meetings other than annual general meetings shall be called extraordinary general meetings. General meetings may be held at such time in Hong Kong or at such other place or places in the world as the majority of the Directors shall from time to time determine.

55. The Directors may, whenever they think fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on such requisition, or in default, may be convened by such requisitionists, as provided by Section 113 of the Ordinance. If at any time there are not within Hong Kong sufficient Directors capable of acting to form a quorum, any Director or any 2 members of the Company or, if the Company has only one member, the sole member of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

Notice of General Meetings

56. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company:

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

- (a) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 *per cent* in nominal value of the shares giving that right.

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

Proceedings at General Meetings

58. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the Directors and auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.

59. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting; save as provided below, 2 members present in person or by proxy shall be a quorum. A member shall be deemed to be present at a general meeting if he participates by telephone or other electronic means and all members participating in the meeting are able to hear each other. If the Company has only one member, the sole member present in person or by proxy shall be a quorum of a meeting of the Company. If such sole 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, he shall provide (unless that decision is taken by way of a written resolution agreed in accordance with section 116B of the Ordinance) the Company with a written record of that decision within 7 days after the decision is made. The written record shall be sufficient evidence of the decision having been taken by such sole member.

60. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the

same day in the next week, at the same time and place or to such other day and at such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

61. The chairman, if any, of the Directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act or is absent from Hong Kong or has given notice to the Company of his intention not to attend the meeting, the Directors present shall elect one of their number to be chairman of the meeting.

62. If at any meeting, no Director is willing to act as chairman or no Director is present within 15 minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.

63. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

64. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded—

- (a) by the chairman; or
- (b) by at least 2 members present in person or by proxy; or
- (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

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

The demand for a poll may be withdrawn.

65. Except as provided in Article 67, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

66. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

67. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Votes of Members

68. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

69. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

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

79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Corporations acting by Representatives at Meetings

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

Directors

81. Unless and until the Company in general meeting shall otherwise determine, the Company shall have at least one Director.

82. All Directors shall retire from office at every annual general meeting and shall be eligible for re-election. The retiring Directors shall if not declining themselves in writing for re-election be deemed to have been re-elected unless the vacated office is filled by electing a person or persons thereto by the Company at the annual general meeting.

83. A Director shall not be required to hold any shares in the Company.

84. The Directors shall receive such remuneration for their services for each year as the members shall from time to time in general meeting determine and the members in general meeting may decide in what shares or proportions such remuneration shall be divided or allotted and such remuneration may be either by a fixed sum or a percentage of profits or otherwise as may be determined by the members in general meeting. In the event of a Director for any cause vacating his office before the end of any year his remuneration shall be deemed to have accrued up to the date when his office as a Director shall have been vacated. If any of the Directors shall be called upon to perform extra services, the Directors may by resolution remunerate the Director or Directors so doing either by a fixed sum or a percentage of profits or otherwise as may be determined by them and such remuneration may be either in addition to or in substitution for the share of such Director or Directors in the remuneration provided for the Directors. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors.

85. A Director of the Company may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and, subject to the Ordinance, no such director shall be accountable to the Company for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company unless the Company otherwise direct.

Powers and Duties of Directors

86. Subject to the provisions of the Ordinance, the memorandum and articles of the Company and to any directions given by special resolution, the business and affairs of the Company shall be managed by the Directors, who may exercise all the powers of the Company. No alteration of the memorandum or articles of the Company and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by these Articles shall not be limited by any special power given to the Directors by these Articles, and a meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

87. Without prejudice to the general powers conferred by Article 86 and the other powers conferred by these Articles, it is hereby expressly declared that the Directors shall have the following powers, that is to say, power:—

- (a) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (b) To purchase or otherwise acquire for the Company any property, rights or privileges, at such price and generally on such terms and conditions as they think fit, and to pay for the same either in cash or in shares, bonds, debentures, or other securities of the Company;
- (c) To appoint and at their discretion remove or suspend managers, agents, secretaries, and shroffs, servants and employees of every description for carrying on the business of the Company, and to determine the powers and duties of such persons, and fix their salaries or emoluments and to sanction the payment of the same out of the funds of the Company;
- (d) From time to time at their discretion to borrow or secure payment of any sum or sums of money in such manner and upon such terms and conditions in all respects as they think fit, and to exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any other party;
- (e) To enter into all such negotiations and contracts and rescind and vary all such acts, deeds and things for the Company as may be expedient;
- (f) To invest and deal with any of the moneys of the Company not immediately required upon such securities (not being shares in the Company) and in such manner as they may think fit, and from time to time to vary or realise such investments;
- (g) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards;
- (h) To provide from time to time for the management of the affairs of the Company in any part of the world in such manner as they shall think fit; and
- (i) To make, vary and repeal from time to time by-laws for the regulation of business of the Company, its officers and servants.

88. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

89. The Company may exercise the powers conferred by Section 35 of the Ordinance with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.

90. The Company may exercise the powers conferred upon the Company by Sections 103, 104 and 106 of the Ordinance with regard to the keeping of a branch register, and the Directors may (subject to the provisions of those sections) make and vary such regulations as they may think fit respecting the keeping of any such register.

91. (a) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such a member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relationship thereby established. Provided always that each Director shall forthwith disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Section 162 of the Ordinance.

(b) Provided such disclosure is made as aforesaid, a Director shall be entitled to vote in respect of any contract or arrangement in which he is interested and to be counted in the quorum present at the meeting at which such contract or arrangement is considered.

(c) Any Director may continue to be or become a Director, Managing Director, manager or other officer or member of any other company (other than the office of auditor) in which the Company may be interested and unless otherwise agreed no such Director shall be accountable for any remuneration or other benefits received by him as a Director, Managing Director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them, Directors, Managing Directors, managers or other officers of such company), and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or is about to be appointed, a Director, Managing Director, manager or other officer of such company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

(d) Where the Company having only one member enters into a contract with that member and that member is also a Director of the Company, the Company shall, unless the contract is in writing, ensure that the terms of the contract are set out in a written memorandum within 7 days after the contract is made, which memorandum shall be kept at the same place where the books containing the minutes of the meetings of the Directors are kept. This Article does not apply to contracts entered into in the ordinary course of the business of the Company.

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

93. The Directors shall cause minutes to be made in books provided for the purpose:—

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors.

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

Disqualification of Directors

95. The office of Director shall be vacated if the Director:—

- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (b) becomes of unsound mind; or
- (c) resigns his office by notice in writing to the Company given in accordance with Section 157D(3)(a) of the Ordinance; or
- (d) shall for more than 6 months have been absent without permission of the Directors from meetings of the Directors held during that period.

Variation of Number of Directors

96. The Company shall have power by ordinary resolution to appoint any person either to fill a casual vacancy or as an additional Director, such power to be in addition to the power conferred on the Directors by Article 97 hereof.

97. Any casual vacancy occurring in the Directors may be filled up by the Directors and the Directors shall further have power at any time, and from time to time, to appoint any person as an additional Director.

98. The Company may by ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any

contract of service between him and the Company. Special notice is required of a resolution to remove a Director or to appoint somebody in place of a Director so removed at the meeting at which he is removed.

Proceedings of Directors

99. The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman shall have a second or casting vote. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.

100. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors, and unless so fixed shall be two. A Director shall be deemed to be present at a meeting of Directors if he participates by telephone or other electronic means and all Directors participating in the meeting are able to hear each other. If the Company has only one Director, the sole Director present shall be a quorum of a meeting of the Directors. If such sole Director takes any decision that may be taken in a meeting of the Directors and that has effect as if agreed in a meeting of the Directors, he shall provide (unless that decision is taken by way of a resolution in writing agreed in accordance with Article 107) the Company with a written record of that decision within 7 days after the decision is made. The written record shall be sufficient evidence of the decision having been taken by such sole Director.

101. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Company as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.

102. The Directors may elect a chairman of their meetings and determine the period for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

103. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulation that may be imposed on it by the Directors.

104. A committee may elect a chairman of its meetings; if no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.

105. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes the chairman shall have a second or casting vote.

106. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

107. A resolution in writing signed by not less than three-fourths of the Directors and annexed or attached to the Directors' Minute Book shall be as valid and effective as a resolution passed at a meeting of Directors duly convened. The signature of any Director may be given by his Alternate. Any such resolution may be contained in one document or separate copies prepared and/or circulated for the purpose and signed by one or more of the Directors. A cable, facsimile or telex message sent by a Director or his Alternate shall be deemed to be a document signed by him for the purposes of this Article.

Managing Director

108. The Directors may from time to time appoint one or more of their body to the office of Managing Director for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case may revoke such appointment. Such appointment shall be automatically determined if he ceases from any cause to be a Director.

109. A Managing Director shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Directors may determine.

110. The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Alternate Director

111. Any Director may at any time and from time to time appoint any person to be his alternate Director and may at any time remove from office the alternate Director so appointed by him and appoint another in his place. An alternate Director so appointed shall be deemed to be the agent of the Director who appoints him. A Director who appoints an alternate Director shall be vicariously liable for any tort committed by the alternate Director while acting in the capacity of alternate Director. An alternate Director shall not be entitled to receive any remuneration from the Company but shall otherwise be subject to the provisions of these Articles with regard to Directors. An alternate Director shall subject to his giving to the Company an address within Hong Kong at which notice may be served upon him be entitled to receive notices of all meetings of the Directors and to attend and vote as a Director at any meeting at which the Director by whom he was appointed is not personally present and generally in the absence of such appointor to perform all the functions of his appointor as Director. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director. All appointments and removals of alternate Directors shall be effected by notice in writing sent to or left with the Company and signed by the Director making or revoking such appointment.

Secretary

112. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. If the Company has only one Director, the sole Director or a body corporate, the sole Director of which is the sole Director of the Company, shall not be the Secretary.

113. Any provision of the Ordinance or these Articles requiring or authorizing 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.

The Seal

114. The Seal of the Company shall not be affixed to any deed or instrument except by the authority of a resolution of the Directors and in the presence of one Director of the Company or such other person or corporation as the Directors may appoint for the purpose and that Director or such other person or corporation as aforesaid shall sign every deed or instrument to which the Seal of the Company is so affixed in his presence.

Dividends and Reserve

115. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

116. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.

117. No dividend shall be paid otherwise than out of profits.

118. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Directors may from time to time think fit. The Directors may also without placing the same to reserve carry forward any profits which they may think prudent not to divide.

119. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period

in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

120. The Directors may deduct from any dividend payable to any member all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

121. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

122. Any dividend, bonus, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, bonuses, interest or other moneys payable in respect of the shares held by them as joint holders.

123. No dividend shall bear interest against the Company.

Capitalization of Profits

124. The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution:

Provided that a share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in paying up of unissued shares to be allotted to members of the Company as fully paid bonus shares.

125. Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully-paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

Accounts

126. The Directors shall cause proper books of account to be kept with respect to:-

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the Company; and

(c) the assets and liabilities of the Company.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

127. The books of account shall be kept at the registered office of the Company, or, subject to Section 121(3) of the Ordinance, at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

128. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorized by the Directors or by the Company in general meeting.

129. The Directors shall from time to time, in accordance with Sections 122, 124 and 129D of the Ordinance, cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

130. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in general meeting together with a copy of the Directors' report and a copy of the auditors' report, shall not less than 21 days before the date of the meeting be sent to every member of, and every holder of debentures of the Company and to all persons other than members or holders of debentures of the Company, being persons entitled to receive notices of general meetings of the Company:

Provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

Audit

131. Auditors shall be appointed and their duties regulated in accordance with Sections 131, 132, 133, 140, 140A, 140B and 141 of the Ordinance.

Notices

132. A notice may be given by the Company to any member either personally or by sending it by post to him or to his registered address, or (if he has no registered address within Hong Kong) to the address, if any, within Hong Kong supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying, and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 48 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

133. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register of members in respect of the share.

134. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

135. Notice of every general meeting shall be given in any manner hereinbefore authorized to:-

- (a) every member except those members who (having no registered address within Hong Kong) have not supplied to the Company an address within Hong Kong for the giving of notice to them;
- (b) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting; and
- (c) the auditor for the time being of the Company.

No other person shall be entitled to receive notices of general meetings.

Winding Up

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

137. (a) If the Company shall be wound up whether voluntarily or otherwise the liquidators may with the sanction of a special resolution divide among the contributories in specie or kind any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction think fit.

(b) If thought expedient any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part; but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 237 of the Ordinance.

(c) In case any of the shares to be divided as aforesaid consist of shares which involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the special resolution by notice in writing, direct the liquidator to sell his proportion and pay him the net proceeds, and the liquidator shall, if practicable, act accordingly.

Indemnity

138. Every Director, Managing Director, agent, auditor, Secretary and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in relation to the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connexion with any application under Section 358 of the Ordinance in which relief is granted to him by the court.

139. The Company shall have power to purchase and maintain for any officer of the Company, or any person employed by the Company as auditor –

- (a) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
- (b) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

For the purpose of this Article, related company means any company which is the Company's subsidiary or holding company or a subsidiary of the Company's holding company.

Names, Addresses and Descriptions of Subscribers

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Dated the 15th day of April, 1999.
WITNESS to the above signatures:-

(Sd.) WU Zhaozhong
Merchant
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