

MEMORANDUM

AND

NEW ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 7th April 2005)

OF

SAN MIGUEL BREWERY HONG KONG LTD.

Incorporated the 30th day of April, 1963.

JOHNSON STOKES & MASTER

Solicitors, &c.

HONG KONG

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HONG KONG

No. 8779
編號



CERTIFICATE OF INCORPORATION
公司更改名稱
ON CHANGE OF NAME
註冊證書

I hereby certify that
本人茲證明

SAN MIGUEL BREWERY LIMITED

having by special resolution changed its name, is now incorporated under the name of
經通過特別決議案，已將其名稱更改，該公司現在之註冊名稱為

SAN MIGUEL BREWERY HONG KONG LIMITED

香港生力啤酒廠有限公司

Given under my hand this Fifth day of May
簽署於一九九四年五月五日。

One Thousand Nine Hundred and Ninety Four.

MRS. M. LEE

P. Registrar of Companies
Hong Kong

香港公司註冊處處長
(公司註冊主任 李余潔清 代行)

San Miguel Brewery Limited

SPECIAL RESOLUTION

At an Extraordinary General Meeting of the Company held at the Brewery, Sham Tseng, New Territories in Hong Kong on Friday, 25th March, 1994, the following Special Resolution was duly passed and approved:

“THAT the name of the Company be changed to
SAN MIGUEL BREWERY HONG KONG LIMITED
香港生力啤酒廠有限公司”

(Sd.) A. SORIANO III
Chairman

ORDINARY RESOLUTION

San Miguel Brewery Limited

Passed on 23rd March 1990

At the Twenty-Seventh Annual General Meeting of the Members of the Company held at the Hong Kong Convention and Exhibition Centre, 1 Harbour Road, Wanchai, Hong Kong on 23rd March 1990 the following Ordinary Resolution was passed:—

“That it is desirable to capitalise the sum of HK\$93,392,640 being part of the sum standing to the credit of the Capital Reserve of the Company and that such sum be applied in making payment in full at par of 186,785,280 of the unissued shares of HK\$0.50 each in the Capital of the Company and that such shares be allotted and distributed, credited as fully paid-up to and amongst the shareholders of the Company who on 12th March 1990 were registered as the holders of shares of the Company in the proportion of one new share for every one share then held and that such shares shall in all respects rank *pari passu* with the existing issued shares of the Company except that they shall not be entitled to Dividends or the Cash Bonus for the financial year ended 31st December 1989.”

(Sd.) A. SORIANO III
Chairman of the Meeting

San Miguel Brewery Ltd.

At an Extraordinary General Meeting of the above named Company held at the Brewery, Sham Tseng, New Territories in Hong Kong on Tuesday, 22nd March, 1988, the following Ordinary Resolution was duly passed:

“That the Authorised Share Capital of the Company be increased to HK\$200,000,000 by the creation of 200,000,000 shares of HK\$0.50 each.”

(Sd:) A. SORIANO III
Chairman

San Miguel Brewery Ltd.

At an Extraordinary General Meeting of the above named Company held at the Brewery, Sham Tseng, New Territories in Hong Kong on Monday, 23rd March, 1987, the following Ordinary Resolution was passed:

"That as at 23rd March 1987, each of the issued and unissued shares of HK\$1.00 each in the Company, including any bonus shares issued on the same date, be subdivided into two shares of HK\$0.50 each."

(Sd.) A. SORIANO III
Chairman

San Miguel Brewery Ltd.

At an Extraordinary General Meeting of the above named Company held at the Brewery, Sham Tseng, New Territories in Hong Kong on Thursday, 6th April, 1978, the following Ordinary Resolution was duly passed:

“That the Authorised Share Capital of the Company be increased to HK\$100,000,000 by the creation of 70,000,000 shares of HK\$1.00 each.”

(Sd.) A. SORIANO, JR.
Chairman

San Miguel Brewery Ltd.

At an Extraordinary General Meeting of the above named Company held at the Brewery, Sham Tseng, New Territories in Hong Kong on Thursday, 22nd March, 1973, the following Resolutions were duly passed:

(i) As an Ordinary Resolution:

"That each of the existing three million shares of HK\$10.00 each in the capital of the Company be subdivided into ten shares of HK\$1.00 each."

(ii) As a Special Resolution:

"That in Article 89 the words "San Miguel Brewery Hongkong Limited" be deleted and the words "Neptunia Corporation Limited formerly named San Miguel Brewery Hongkong Limited" be substituted."

(Sd.) A. SORIANO, JR.
Chairman



No. 8779

CERTIFICATE OF INCORPORATION

ON CHANGE OF NAME

WHEREAS

THE HONGKONG BREWERIES LIMITED

was incorporated as a limited company under the Companies Ordinance
(Chapter 32 of the Laws of Hong Kong, Revised Edition, 1950) on the
Thirtieth day of April, 1963;

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 SAN MIGUEL
BREWERY LIMITED.

GIVEN under my hand at Victoria in the Colony of Hong Kong
this Thirtieth day of April One Thousand Nine Hundred and Sixty-nine.

(Sd.) NOEL M. GLEESON
*Acting Assistant Registrar General
Registrar of Companies,
Hong Kong.*

[COPY]

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

THE HONGKONG BREWERIES LIMITED

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 Thirtieth day of April,
One Thousand Nine Hundred and Sixty-three.

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

THE COMPANIES ORDINANCE (Chapter 32)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

SAN MIGUEL BREWERY HONG KONG LTD.

1. The name of the Company is "SAN MIGUEL BREWERY HONG KONG LIMITED".
2. The registered office of the Company will be situated in the Colony of Hong Kong.
3. The objects for which the Company is established are: -
 - (1) To carry on the business of brewers and maltsters in all its branches.
 - (2) To carry on all or any of the business of hop merchants and growers, malt factors, corn merchants, wine and spirit merchants and importers, and distillers, coopers and bottlers, bottle makers, can makers, bottle stopper makers, potters, licensed victuallers, hotel keepers, beerhouse keepers, restaurant keepers, lodging-house keepers, ice manufacturers and merchants, tobacconists, fanners, dairymen, yeast dealers, grain sellers and driers, timber merchants, brick makers, finings manufacturers, isinglass merchants and cold storage and bonded and general warehouse proprietors.
 - (3) To trade and carry on business as hop growers and merchants; beer, lager, ale, stout and porter merchants, bottlers, canners, agents and distributors; barley and general grain raisers, importers, driers and merchants; manufacturers of and dealers in yeast, finings, isinglass and other brewer's requisites; manufacturers of and dealers in all kinds of aerated, mineral and medicated waters and general temperance and other drinks, beverages, cordials and the like; bottle makers, bottle stopper makers, bottle labellers, manufacturers of boxes, cartons, paper and other bags and packing receptacles generally, bottlers, canners, packers and providers of all kinds of goods, products or wares necessary or desirable for use in connection with the business of the Company.
 - (4) To conduct, carry on and manage the businesses or trades of whisky, gin, rum, brandy and general distillers, compounders, and rectifiers; merchants, exporters, importers, brokers, bottlers, sales' agents and general traders in relation to the marketing and distribution, in the Colony of Hong Kong and abroad, of spirits, wines, liqueurs and all other products derived from the cultivation of the grape, and generally to undertake, perform and carry out all or any of the operations ordinarily undertaken by distillery proprietors, wine growers, contractors and shippers, or by persons or companies engaged in such business.
 - (5) To carry on the business of millers, cake and corn merchants, meal manufacturers, buyers, sellers, importers, exporters and dealers in grain and seed of all kinds, flour merchants, bakers, biscuit makers, oil merchants, manufacturers of animal food and feeding and fattening preparations of every description, makers and manufacturers of artificial manures and fertilisers of every description, seed crushers and manufacturers of linseed cotton and other cakes, oil extractors by crushing, chemical or other processes, and hay, straw and fodder merchants.

- (6) To manufacture, prepare, produce, import, export, purchase, sell (wholesale or retail) distribute and deal in goods, wares, merchandise, materials and personal property of every kind, nature and description, including without prejudice to the generality of the foregoing fermented beverages of all kinds, beer yeast, malt extract, wines, spirits, liquors, carbonated or mineral waters, syrups of all kinds, and flavouring extracts; paper of all kinds, size or shape, of articles made from paper, paper pulp, wood pulp, or any other kind of pulp, and paper products like kraft paper, wrapping paper, wall paper, paper bags, envelopes, cigarette paper, paper napkins, paper containers, cardboard, cardboard containers, school supplies and stationeries; plastics, plastic containers and other articles made of plastic; metal and non-metal containers or receptacles, and any other containers of whatsoever kind or shape; glass, glass bottles, glass jars and other containers or receptacles and articles made of glass; explosives, whether sporting, military, commercial or industrial, gunpowder of every description, dynamite, gun cotton, blasting powder, ammunition of all kinds; milk, butter, vegetable butter, margarine, cheese, fats, and similar or analogous substances; all kinds of candies, sweets, pastries, ice cream, fruit juices, confectionery, and other similar products; chemicals of every description, dyes and dye-stuffs, inks, acids, salts, paints, oils, varnishes, colours, pigments; drugs, medicines, ointments, liniments, toilet articles, perfumeries, surgical apparatus, physicians' and hospital supplies; yarns and fabrics of all kinds; compressed gases such as oxygen, acetylene, hydrogen, nitrogen, helium, compressed air, carbon dioxide, and other seniform fluids and chemicals; soaps and detergents and solvents and similar products; cement, lime, plasters and all kinds of concrete products; electrical and mechanical products, equipment, parts, devices, instruments, insulators, conductors, motors, generators, meters, transformers, dynamos, batteries, lighting equipment, and all articles of every kind pertaining to or in anywise connected with the production, use, distribution, regulation, control, or application of electricity or electrical apparatus for light, heat, power, manufacturing, and any and all other purposes; electronic transmitting and receiving sets, radios, television, electronic devices and apparatus used or useful in connection with the transmission or reception of images, animate or inanimate, by electrical and mechanical means; poultry and livestock feeds of every kind and type, flour, cereal products, food products and similar or analogous articles; fertilizer of all kinds; iron, steel, manganese, nickel, copper, coal, coke and lumber products or articles consisting or partly consisting of iron, steel, manganese, nickel, copper, coal, coke, lumber, or other metals, minerals or materials.
- (7) To engage in the business of lithography in general; to print displays on aluminium, carton, wood, glass or any other materials or derivatives thereof, whether by silk screen process, offset process, or any other kind of process; to label and decorate beer and beverage bottles and any other containers made of glass, metal, carton, or any other materials by the use of ceramic applied colour or by silk screened processing methods, or by any other process or method; to buy, sell, lease or in any other way acquire or dispose of all the equipment and materials necessary or incidental thereto.
- (8) To act as agents or representatives of persons, partnerships and corporations, and to engage in the business of commission agents or representatives in connection with the import, export, sale and distribution of goods, wares, merchandise, materials and personal property of every kind nature and description (either wholesale or retail) and for this purpose to enter into contracts, agreements and commitments, in its own name or in the name of the person, partnership or corporation it represents, in connection with the said products or with any other kind of personal or real properties.
- (9) To deal in (either as manufacturers, agents, factors or merchants) by sale, purchase, or by letting or hiring, or otherwise, and to repair and alter any apparatus, machinery, material and articles which shall be capable of being used in the course of any such business as aforesaid, or which are likely to be required by customers of any such business.
- (10) To carry on any other business whether manufacturing or otherwise which may seem to the Company capable of being conveniently carried on in connection with the above or calculated

directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

- (11) To acquire, and undertake the whole or any part of the business, property and liabilities of any person 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.
- (12) To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal concession, or for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
- (13) To subscribe for, take, or otherwise acquire, and hold shares, stock, debentures, or other securities of any other company having objects altogether or in part similar to those of the Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the Company.
- (14) To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies, and generally to give guarantees and indemnities.
- (15) To subscribe for, purchase, or otherwise acquire and hold, sell, dispose of, and deal in shares, stocks, debentures, debenture stock, or other securities of any authority, supreme, municipal, local or otherwise and of any corporation whatsoever and wheresoever.
- (16) To guarantee the payment of money secured by or payable under or in respect of bonds, debentures, debenture stock, contracts, mortgages, charges, obligations and other securities of any company or of any authority, supreme, municipal, local or otherwise, or of any persons whomsoever, whether incorporated or not incorporated.
- (17) To carry on all kinds of promotion business, and in particular to form, constitute, float, lend money to, assist, and control any companies, associations, or undertakings whatsoever.
- (18) To purchase or otherwise acquire, sell, dispose of, and deal in real and personal property of all kinds, and in particular lands, buildings, hereditaments, business concerns and undertakings, mortgages, charges, annuities, patents, licences, shares, stocks, debentures, debenture stock, securities, concessions, options, produce, policies, book debts and claims, and any interest in real or personal property, and any claims against such property, or against any persons or company, and to carry on any business concern or undertaking so acquired.
- (19) To transact and carry on all kinds of agency business, and in particular to collect rents and debts, and to negotiate loans, to find investments, and to issue and place shares, stocks, debentures, debenture stock or other securities.
- (20) To furnish and provide deposits and guarantee funds required in relation to any tender or application for any contract, concession, decree, enactment, property, or privilege, or in relation to the carrying out of any contract, concession, decree, or enactment.
- (21) To seek for and secure openings for the employment of capital in Hong Kong and elsewhere and to acquire from any sovereign state or authority, supreme, local, or otherwise, any concessions,

grants, decrees, rights or privileges whatsoever, which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise, and turn to account the same.

- (22) To carry on and undertake any business or operation commonly carried on or undertaken by promoters of companies, financiers, concessionaires, contractors of public and other works, capitalists, merchants or traders.
- (23) To improve, manage, develop, grant rights or privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company.
- (24) To vest any real or personal property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.
- (25) To invest and deal with the moneys of the Company not immediately required in any manner.
- (26) To guarantee the performance of any contract or obligation and the payment of money of or by any person or company and generally, to give guarantees and indemnities.
- (27) To pay for any rights or property acquired by the Company, and to remunerate any person or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
- (28) To apply for, purchase, obtain licences in respect of or otherwise acquire, and protect and renew in any part of the world any patents, patent rights, brevets d'invention, trade marks, designs, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account the property, rights or information so acquired, and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
- (29) To acquire by purchase, lease, exchange or otherwise, land, buildings, and hereditaments of any tenure or description and any estate or interest therein, and any rights over or connected with land and to turn the same to account as may seem expedient, and in particular by preparing building sites, and by constructing, reconstructing, altering, improving, decorating, furnishing, and maintaining hotels, offices, flats, houses, factories, warehouses, shops, baths, wharves, buildings, works and conveniences of all kinds, and by consolidating, or connecting, or sub-dividing properties, and by leasing and disposing of the same.
- (30) To insure with any company or person against losses, damages, risks and liabilities of all kinds which may affect this Company and to act as agents and brokers for placing insurance risks of all kinds in all its branches.
- (31) To appoint sales agents to sell any of the products of the Company and any goods, foods, stores, chattels and things for which the Company are agents in any part of the world.
- (32) To make, give, undertake, arrange, carry out and do (either gratuitously or for reward) market surveys, advertising, sales promotion, management advice, investment advice, credit investigations and reporting, translation and secretarial service, copying, public relations, and generally advice on all business, trade and financial matters.
- (33) To carry on business and maintain branches abroad in any part of the world for all or any of the purposes aforesaid.

- (34) 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.
- (35) 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 its predecessors in business 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 money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.
- (36) 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.
- (37) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
- (38) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock, 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.
- (39) To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures, debenture stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
- (40) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (41) 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 this Company.
- (42) To procure the Company to be registered or recognised in any foreign country or place.
- (43) 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.
- (44) To do all or any or the above things in any part of the world and as principals, agents, contractors, trustees, or otherwise, and by or through agents, trustees, or otherwise, and either alone or in conjunction with others.
- (45) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects.

And it is hereby declared that 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.

4. The liability of the Members is limited.

*5. The capital of the Company is HK\$200,000,000 divided into 400,000,000 shares of HK\$0.50 each.

**The show capital of the Company has been reorganised and increased on 6th April, 1978 and 22nd March, 1988.*

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
F. LEYSHON 11 Vivian Court, Mt. Kellet Road, Hong Kong, Brewery Executive.	One
P. J. DALY 46 Plantation Road, Hong Kong, Chartered Accountant.	One
W. H. NOLLOTH 8 St. George's Court, Kadoorie Avenue, Kowloon, Brewery Executive.	One
F. G. NIGEL 35 Deepwater Bay Road, Hong Kong, Solicitor.	One
GARETH H. H. GOLBY 6D Far East Mansions, Middle Road, Kowloon, Solicitor.	One
HAROLD CAINE 33 Dina House, Duddell Street, Hong Kong, Solicitor.	One
F. D. HAMMOND 15 Conduit Road, Hong Kong, Solicitor.	One
Total Number of Shares Taken	Seven

Dated the 30th day of April, 1963.

WITNESS to the above signatures: -

(Sd.) **F. H. Kwok**
Solicitor,
HONG KONG.

THE COMPANIES ORDINANCE (CHAPTER 32)

Company Limited by Shares

NEW ARTICLES OF ASSOCIATION

(adopted by Ordinary Resolution passed on 7th April 2005)

OF

SAN MIGUEL BREWERY HONG KONG LTD.

Table A

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

Exclusion of
Table A

Interpretation

2. The marginal notes to these Articles shall not be deemed to be part of these Articles and shall not affect their interpretation and in the interpretation of these Articles, unless there be something in the subject or context inconsistent therewith:—

Interpretation

"Hong Kong"	shall mean the Hong Kong Special Administrative Region of the People's Republic of China;
"the Company" or "this Company"	shall mean SAN MIGUEL BREWERY HONG KONG LIMITED;
"the Companies Ordinance" or "the Ordinance"	shall mean the Companies Ordinance (Chapter 32 of the Laws of Flung Kong) and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance;
"these Articles" or "these presents"	shall mean these Articles of Association in their present form and all supplementary, amended or substituted articles for the time being in force;
"capital"	shall mean the share capital from time to time of the Company;

"share"	shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;
"shareholders" or "members"	shall mean the duly registered holders from time to time of the shares in the capital of the Company;
"the register"	shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance;
"the Board"	shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;
"Secretary"	shall mean the person or corporation for the time being performing the duties of that office;
"Auditors"	shall mean the persons for the time being performing the duties of that office;
"the Chairman"	shall mean the Chairman presiding at any meeting of members or of the Board;
"call"	shall include any instalment of a call;
"seal"	shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Ordinance;
"dividend"	shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;
"dollars"	shall mean dollars in the lawful currency of Hong Kong;
"month"	"shall mean a calendar month;
"writing" or "printing"	shall include writing, printing, lithography, photography, type-writing and every other mode of representing words or figures in a legible and non-transitory form (including an electronic communication);
"associate"	in relation to any Director, shall have the meaning ascribed to it under the Listing Rules as amended from time to time;
"corporate representative"	shall mean any person appointed to act in that capacity pursuant to Article 93(A) or 93(B);
"electronic communication"	shall mean a communication sent by electronic transmission in any form through any medium;

"Listing Rules" shall mean the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);

"Stock Exchange" shall mean The Stock Exchange of Hong Kong Limited (or its successor);

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

words importing any gender shall include every gender; and

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

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

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

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

Share Capital and Modification of Rights

3. The authorised share capital of the Company as at the date of adoption of these Articles is HK\$200,000,000 divided into 400,000,000 shares of HK\$0.50 each.

Share capital

4. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting" and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed.

Rights of shares

5. The Board may issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

Warrants

6. (A) If at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of 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. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of that class, and at an adjourned meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person or by proxy may demand a poll.

How rights of shares may be modified

(B) The provisions of this Article shall apply to the variation or abrogation of the special rights attached to some of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.

(C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

(D) Subject to all the impairments, restrictions and conditions imposed by the laws and the courts of Hong Kong, no power shall be taken by the Company to freeze or otherwise impair any of the rights attaching to any shares by reason only that the person or persons who are interested directly or indirectly in those shares have failed to disclose their interests to the Company.

Freezing or impairing of rights attaching to shares

Shares and Increase of Capital

7. The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to purchase or otherwise acquire its own shares or warrants (including redeemable shares) at any price or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise 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, provided always that any such purchase or other acquisition or financial assistance shall only be made or given in accordance with any relevant rules or regulations issued by the Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force, and provided further that in the case of purchases of redeemable shares, (i) purchases not made through the stock market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases, and (ii) if purchases are by tender, tenders shall be available to all members alike.

Company not to finance purchase of own shares

8. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

Power to increase capital

9. Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.

Conditions of
issue of new
shares

10. The Company may by ordinary resolution, before the issue of any new shares, make any provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

Provisions as to
issue and
allotment of
new shares

11. Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

New shares to
form pan of
original capital

12. Subject to the provisions of the Companies Ordinance (and in particular Section 57B thereof) and of these Articles relating to new shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Companies Ordinance. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others 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, this would or might, in the opinion of the Board, be unlawful or impracticable. 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.

Shares at
disposal of the
Board

13. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten per cent of the price at which the shares are issued.

Company may
pay commission

14. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Companies Ordinance, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of plant.

Power to
charge interest
to capital

15. Except as otherwise expressly provided by these Articles or as required by law or as ordered by a court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust and, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder.

Trusts not
recognised

Register of Members and Share Certificates

16. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance.

Share register

(B) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.

17. Every person whose name is entered as a member in the register shall be entitled without payment to receive within ten business days after allotment or lodgment of a transfer (or within such other period as the Stock Exchange may from time to time prescribe in the Listing Rules) one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, in the case of a transfer, of a fee as the Board may from time to time determine which shall not exceed the maximum fee prescribed from time to time by the Stock Exchange for every certificate after the first, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. In this Article, "business day" means any day on which a recognised stock market (as defined in the Companies Ordinance) is open for the business of dealing in securities.

Share
certificates

18. Every certificate for shares, warrants or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section 73A of the Ordinance. The seal of the Company shall only be affixed with the authority of the Board.

Certificates to
be sealed

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

Every certificate
to specify
number and
class of shares

20. (A) The Company shall not be bound to register more than four persons as joint holders of any share.

Joint holders

(B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

21. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding the maximum fee prescribed from time to time by the Companies Ordinance or by the Stock Exchange or other applicable regulatory authority and on such terms and conditions, if any, as to publication of notice, evidence and indemnity, as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

Replacement
of share
certificates

Lien

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

Company's lien

23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up to the shares.

Sale of shares
subject to lien

24. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of
proceeds of
such sale

Calls on Shares

25. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premiums) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments.

Making of calls

26. Fourteen days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

Notice of calls

27. A copy of the notice referred to in Article 26 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

Copy of notice
to be sent to
members

28. In addition to the giving of notice in accordance with Article 27, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be inserted once in The Hong Kong Government Gazette and once at least in both an English language newspaper in English and a Chinese language newspaper in Chinese circulating in Hong Kong.

Notice of call
may be
advertised

29. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.	Every member liable to pay call at appointed time and place
30. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.	When call deemed to be made
31. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.	Liability of joint holders
32. The Board may from time to time at their discretion extend the time fixed for any call, and may extend such time as regards all or any of the members, whom from residence. outside Hong Kong or other cause the Board may deem entitled to any such extension but no member shall be entitled Cu any such extension except as a matter of grace and favour.	Board may extend time fixed for call
33. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty per cent per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part.	Interest on unpaid calls
34. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.	Suspension of privileges while call unpaid
35. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Evidence in action for call
36. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account or the nominal value of the share and/or by way of premium, shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to he paid and the time of payment.	Sums payable an allotment or on a fixed date deemed a call
37. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or tiny part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty per cent per annum as the Board may decide, provided that not until a call is made, any payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the shares or the due portion of the shares upon which payment has been advanced by such member before it is called up. The Board may at any time repay the amount so advanced upon giving to such member	Payment or calls in advance

not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

Transfer of Shares

38. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand only. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint.	Form of transfer
39. 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 the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.	Execution of transfers
40. The Board may, in its absolute discretion and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.	Directors may refuse to register a transfer
41. The Board may also decline to recognise any instrument of transfer unless:- (i) a fee as the Board may from time to time required (which shall not exceed the maximum fee prescribed from time to time by the Stock Exchange) is paid to the Company in respect thereof; (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (iii) the instrument of transfer is in respect of only one class of share; (iv) the shares concerned are free of any lien in favour of the Company; and (v) the instrument of transfer is properly stamped.	Requirements as to transfers
42. No transfer shall be made to a minor or to a person of unsound mind or under other legal disability.	No transfer to an infant etc.
43. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.	Notice of refusal to register
44. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the transfer.	Certificate to be given up on transfer

45. The registration of transfers may be suspended and the register closed at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than thirty days in any year or, with the approval of the Company in general meeting, sixty days in any year.

Closure of register

Transmission of Shares

46. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

Death of registered holder or of joint holder of shares

47. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up or a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.

Transmission article

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

Notice of election to be registered and registration of nominee

49. A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 83 being met, such a person may vote at meetings.

Entitlement to advantages in respect of shares before becoming registered holder

Forfeiture of Shares

50. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Article 34, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

Notice requiring payment of call or instalment

51. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that, in the event of non payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

Form of notice

52. 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

If notice not complied with

required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Articles to forfeiture shall include surrender.

shares may be
forfeited

53. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

Forfeited shares
the property of
the Company

54. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty per cent per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value or the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

Liability after
forfeiture

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

Evidence of
forfeiture

56. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

Notice after
forfeiture

57. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon the expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

Power to
cancel
forfeiture or
permit
redemption

58. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

Forfeiture not to
prejudice
Company's
right to call or
instalment

59. The provisions of these Articles as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether

Forfeiture for
non-payment of

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.

any sum due on shares

60. In the event of a forfeiture of shares the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

Certificates to be given up on forfeiture

Stock

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

Power to convert fully paid shares into stock

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

Transfer of stock

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

Rights of stockholders

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

Interpretation

Alteration of Capital

65. (A) The Company may from time to time by ordinary resolution:-

- (i) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or

Consolidation and division of capital and sub-division and cancellation of shares

fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

- (ii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
- (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and
- (v) make provision for the issue and allotment of shares which do not carry any voting rights.

(B) The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner authorised and subject to any conditions prescribed by law.

Reduction of capital

General Meetings

66. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the Board shall appoint.

Annual general meetings

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

Extraordinary general meetings

68. The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on requisition, as provided by the Companies Ordinance, or, in default, may be convened by the requisitionists.

Convening of extraordinary general meetings

69. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, 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 subject to the provisions of the Companies Ordinance, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed: -

Notice of meetings

(i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and

(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

70. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Omission to give notice

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

Proceedings at General Meetings

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

72. For all purposes the quorum for a general meeting shall be two members present in person or by a duly authorised corporate representative or by proxy and entitled to vote.

73. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Chairman, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the member or members present in person shall be a quorum and may transact the business for which the meeting was called.

74. The Chairman (if any) of the Directors or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as Chairman, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman.

Chairman

75. The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of any original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Same as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than

Adjournment

the business which might have been transacted at the meeting from which the adjournment took place.

76. 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 or on the withdrawal of any other demand for a poll) demanded:-

Voting and evidence of the passing of a resolution

(i) by the Chairman of the meeting; or

(ii) by at least three members present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting; or

(iii) by any member or members present in person or by a duly authorised corporate representative 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

(iv) by a member or members present in person or by a duly authorised corporate representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll be so demanded and not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.

77. If a poll is demanded as aforesaid, it shall (subject as provided in Article 78) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

Poll

78. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

Poll without adjournment

79. 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 not be entitled to a second or casting vote. In the case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.

casting vote

80. 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.

Meeting to continue notwithstanding demand for poll

81. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a

Written resolution

member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.

Votes of Members

82. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a show of hands every member who is present in person or by a duly authorised corporate representative or by proxy shall have one vote, and on a poll every member present in person, or by a duly authorised corporate representative or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Article as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Where any member is, under the Listing Rules as amended from time to time, 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.

Votes of
members

83. Any person entitled under Article 47 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Votes of
persons entitled
by transmission

84. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

Joint holders

85. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, *curator bonis* or other person in the nature of a committee, receiver or *curator bonis* appointed by that court, and any such committee, receiver, *curator bonis* or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, before the last time at which a valid instrument of proxy could be so delivered.

Vote of
member of
unsound mind

86. (A) Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.

Qualification for
voting

(B) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.

87. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. Votes may be given either personally or by a duly authorised corporate representative or by proxy. A member who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a member. In addition, a proxy or proxies representing either an individual member or a member which is a corporation, shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise, including the right to vote individually on a show of hands.

Proxy

88. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

Proxy to be in writing

89. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Deposit of proxy

90. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.

Form of proxy

91. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit provided that any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which special business (determined as provided in Article 71) is to be transacted shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such special business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

Authority under instrument of proxy

92. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised corporate representative shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article 89, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

When proxy vote valid though authority revoked

93. (A) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company. References in these Articles to a member present in

Corporation acting by representatives

person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative or by one or more proxies. Nothing in this Article shall prevent a corporation which is a member of the Company from appointing one or more proxies to represent it pursuant to Article 87.

(B) Where a member is a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised under the provision of this Article shall be entitled to exercise the same powers on behalf of such clearing house which he represents as such clearing house (or its nominee) could exercise if it were an individual member of the Company.

Registered Office

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

Registered
office

Board of Directors

95. The number of Directors shall not be less than three and not more than twelve. The Board shall cause to be kept a register of the Directors and Secretaries, and there shall be entered therein the particulars required by the Companies Ordinance.

Clearing house
acting by
representatives
Number of
Directors

96. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Power to fill
vacancies

97. (A) A Director may at any time, by notice in writing signed by him delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved.

Alternate
Directors

(B) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.

(C) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall he himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any committee of which his

appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

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

98. A Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meetings of the Company and of any class of members of the Company.

No qualification
shares

99. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.

Remuneration

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

Expenses

101. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

Special
remuneration

102. Notwithstanding Articles 99, 100 and 101, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

Fixing of
remuneration

103. (A) A Director shall vacate his office:-

When Director
to vacate
office

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in

his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;

- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Companies Ordinance;
- (v) if by notice in writing delivered to the Company at its registered office he resigns his office;
- (vi) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors; or
- (vii) if he shall be removed from office by an ordinary resolution of the Company under Article 111.

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

104. (A) (i) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (ii) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other director is appointed to hold any office or place of profit with the Company or at which the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement except that he shall not vote regarding his own appointment or the arrangement of the terms thereof.
- (B) (i) 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 person, 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 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 the fiduciary relationship thereby established.
- (ii) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract (being a contract of significance in relation to the Company's business) with the Company shall, if his interest in the contract or proposed contract is material, declare the nature of his interest in any such contract or arrangement in which he is so interested at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

(iii) A Director shall not vote or be counted in the quorum in respect of any contract, arrangement or other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to any contract, arrangement or other proposal for or concerning:-

(a) the giving of any security or indemnity either:-

- (I) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
- (II) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security; and/or

(b) an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or subunderwriting of the offer; and/or

(c) any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares or securities of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares or securities of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights attached to such issued shares or securities; and/or

(d) the benefit of employees of the Company or any of its subsidiaries including:-

- (I) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
- (II) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and/or

(e) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

- (iv) (a) A company shall be deemed to be a company in which a Director and/or his associate(s) owns 5% or more if and so long as (but only if and so long as) he and/or his associate(s) (either directly or indirectly) is/are the holders of or beneficially interested in 5% or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or any third company through which his/their interest or that of any of his associates is derived) or of the voting rights of any class of shares available to shareholders of the Company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
- (iv) (b) Where a company in which a Director and/or his associate(s) holds 5% or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of the Company is/are materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- (c) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting or his associate(s) such question shall be decided by a resolution of the Board (for which purpose such chairman and any of the other directors present who are materially interested in the contract or arrangement in question shall be counted in the quorum but shall not vote thereon) and such resolutions shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his associate(s) as known to such chairman has not been fairly disclosed to the Board.
- (v) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company 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, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by it as directors of such other company in such manner as in all respects it thinks fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing

directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

- (vi) A general notice to the Board by a Director that he is a member of a specified firm or corporation and is to be regarded as interested in any contract or arrangement which may be made with that firm or corporation after the date of such notice or that he is to be regarded as interested in any contract or arrangement which may be made with a specified person who is connected with him after the date of such notice shall be deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.

(C) A Director of the Company may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

(D) Any Director may act by himself or by 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 Auditor to the Company.

Rotation of Directors

105. (A) At each annual general meeting one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. In addition, there shall also be required to retire by rotation any Director who at an annual general meeting of the Company shall have been a Director at each of the preceding two annual general meetings of the Company and who was not elected or re-elected at either such annual general meeting and who has not otherwise ceased to be a Director (either by resignation, retirement, removal or otherwise) and been re-elected by general meeting of the Company at or since either such annual general meeting. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Retirement by rotation

(B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.

106. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:-

Places of retiring Directors not filled

- (i) it shall be determined at such meeting to reduce the number of Directors; or

- (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
- (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost.

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

Variation of number of Directors

108. The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.

Casual vacancy

109. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company at its registered office in the period commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.

Notice of proposal for election as Director

110. The Company shall keep in accordance with the Ordinance a register containing the names and addresses and occupations of its Directors and shall from time to time notify to the Registrar of Companies any change that takes place in such Directors as required by the Companies Ordinance.

Register of Directors

111. The Company may by ordinary resolution remove any Director (including a Managing, Joint Managing, Deputy Managing or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

Removal of Directors by special resolution

Borrowing Powers

112. The Board may from time to time in its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

Power to borrow

113. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Conditions on which borrowing permitted

114. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Assignment

115. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender,

Special privileges

drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

116. (A) The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.

Register of charges and debentures to be kept

(B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the bidders of such debentures in accordance with the provisions of the Companies Ordinance.

117. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

Priority of charges over uncalled capital

Managing Directors, etc.

118. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 102,

Power to appoint Managing Directors etc.

119. Every Director appointed to an office under Article 118 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company be liable to be dismissed or removed therefrom by the Board.

Removal by Board

120. A Director appointed to an office under Article 118 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company, and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Cessation of appointment

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

Powers may be delegated

Management

122. (A) Subject to any exercise by the Board of the powers conferred by Articles 123 to 125, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

Power of management vested in Board

(B) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:-

- (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and
- (ii) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

Managers

123. Neptunia Corporation Limited formerly named San Miguel Brewery Hongkong Limited (in this Article and in Articles 124 and 125 called "the said Managers") shall be, the first General Managers and Brewery Managers of the Company and shall not be removable from office otherwise than by their own resignation or by special resolution of the Company or ipso facto if at any time the said Managers cease to hold ten per cent of the share capital of the Company for the time being issued provided that within ten years from 12th June, 1963 the said Managers shall not resign nor vote in favour of a special resolution removing thesis from office nor voluntarily sell or dispose of shares in the Company so as to reduce their holding to less than ten per cent of the share capital of the Company for the dine being issued. The said Managers shall at their own expense employ and in the first instance pay the salaries and emoluments of such executives and/or such other officers as the said Managers shall from time to time think fit, for the purpose of providing an efficient management and a technical and advisory service in all matters concerning the brewery business and any other business of the Company but the Company shall reimburse to the said Managers the cost of all emoluments paid or provided to such officers in respect of services rendered by them to the Company. The said Managers shall also undertake the management of the business of the Company and all planning in connection therewith and shall arrange for the purchase of all raw materials machinery and equipment required in connection with such business.

Appointment
and
remuneration of
managers

124. The said Managers shall while holding the office of General Managers and Brewery Managers be entitled to a commission equal to seven and one-half per cent on the net profits of the Company for each financial year. Net profits shall mean the operating profits of the Company after all necessary provisions but before any charges for Corporation Profits Tax, Property Tax or any other form of Income Tax for the time being in force before any appropriation out of profits and before charging the commission payable to the said Managers. The certificate of the Company's auditors for the time being of the amount of the net profits upon which the said commission shall be paid shall be conclusive and binding upon all parties.

Commission

125. For the purposes of Articles 123 and 124 hereof the Directors may enter into such Agreement or Agreements with the said Managers as the Directors may in their absolute discretion think lit and may confer upon the said Managers such of the powers of the Directors as they may think fit.

Delegation of
powers to
managers

Chairman

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

Chairman of
Board

for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

Proceedings of the Directors

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

Board meeting
and quorum

128. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine, provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.

Converting
Board meetings

129. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

Casting vote

129A. Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board through the medium of conference telephone or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is.

Medium of
meeting

130. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.

Powers of Board
meetings

131. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the Directors think fit, and may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

Power to
delegate to a
committee

132. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.

Effect of acts of
committee

133. The meetings and proceedings of any such committee consisting of three or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article 131.

Committee
meetings

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

Acts of Board or committee to be valid notwithstanding defects

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

Directors' powers when vacancies exist

136. A resolution in writing signed by all the Directors except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Article 127) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

Written resolutions of Directors

Minutes

137. (A) The Board shall cause minutes to be made of:-

Board Minutes

- (i) all appointments of officers made by the Board;
- (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 131; and
- (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

(B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

Secretary

138. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Companies Ordinance or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.

Appointment of Secretary

139. The Secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong.

Residence

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

Same person not to act in two capacities at once

General Management and Use of the Seal

141. (A) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or, by some other person appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

Custody of seal
and seal for use
abroad

(B) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section 73A of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document to which such official seal is affixed and such certificates or other document shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Companies Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

142. 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 Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

Cheques

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

Power to
appoint
attorney

(B) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under its seal shall bind the Company and have the same effect as if it were under the seal of the Company.

144. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their

Local Boards

remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to snake calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

145. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

Pension funds

Capitalisation of Reserves

146. (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other; provided that for the purpose of this Article, any amount standing to the credit of share premium account may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.

Power to capitalise reserves and undivided profits

(B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and to particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. The provisions of the Ordinance in relation to the filing of contracts for allotment shall be observed and, the Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the

shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

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

Subscription
right reserve

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

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

- (iv) if upon the exercise of the subscription rights represented by any warrant the amount standing to the credit of the Subscription Right Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled,

the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account and capital redemption reserve fund) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment up and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

(B) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned.

(C) Notwithstanding anything contained in this Article no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and if so what) fraction of a share arises shall be determined according to the terms and conditions of the warrants.

(D) The provisions of this Article as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Article without the sanction of a special resolution of such warrant holders or class of warrant holders.

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

Dividends and Reserves

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

Dividends

149. (A) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.

(B) The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.

150. No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest.

Dividends not to be paid out of capital

151. Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provision of the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

Dividend in specie

152. (A) Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:-

Script dividends

either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-

- (a) the basis of any such allotment shall be determined by the Board;
- (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as, aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special

account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

or (ii) the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:-

- (a) the basis of any such allotment shall be determined by the Board;
- (b) the Board, after determining the basis of allotment, shall give no less than two weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

(B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank pari passu in all respects with the shares then in issue save only as regards participation:-

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

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

provisions of paragraph (A) of this Article shall rank for participation in such distribution, bonus or rights.

(C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Board to make such provisions as 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 Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(D) The Company may upon the recommendation of the Board by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

(F) The Board may on any occasion determine that rights of election under paragraph (A) of this Article shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board and in such event the provisions aforesaid shall be read and construed subject to such determination.

153. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for sneering claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

Reserves

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

Dividends to be paid in proportion to paid up capital

155. (A) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Retention of dividends etc.

(B) The Board may deduct from any dividend or bonus payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

156. Any general [fleeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

Dividend and
call together

157. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.

Effect of
transfer

158. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.

Joint holders

159. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

Payment by
post

160. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.

Unclaimed
dividends

161. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members.

Date
distributable

161A. (i) Without prejudice to the rights of the Company under Article 160, the Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

Untraceable
members

(ii) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a member who is untraceable, but no such sale shall be made unless:-

- (a) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent

during the relevant period in the manner authorised by these Articles have remained uncashed;

- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (c) the Company has caused an advertisement to be published in English in an English language daily newspaper and in Chinese in a Chinese language daily newspaper (provided that the aforesaid daily newspapers shall be included in the list of newspapers issued and published in the Hong Kong Government Gazette for the purpose of section 71A of the Companies Ordinance) giving notice of its intention to sell such shares and has notified the Stock Exchange of such intention and a period of three months has elapsed since the date of such advertisement.

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

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

Distribution of Realised Capital Profits

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

Distribution of
realised capital
profits

Annual Returns

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

Annual Returns

Accounts

164. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Ordinance or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

Accounts to be kept

165. The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

Place to be kept

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

Inspection by members

167. (A) The Board shall from time to time in accordance with the provisions of the Companies Ordinance cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Companies Ordinance.

Annual accounts and report of Directors

(B) Every balance sheet of the Company shall be signed pursuant to the provisions of the Companies Ordinance, and a copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account 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 (collectively the "Relevant Financial Documents"), shall not less than twenty-one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company and every person registered under Article 47 and every other person 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.

(C) To the extent permitted by and subject to due compliance with all applicable laws, rules and regulations and to obtaining all necessary consents, if any, required thereunder, the requirements in paragraph (B) of this Article shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Ordinance and instead of a copy of the Relevant Financial Documents, a summary financial report derived from the Relevant Financial Documents which shall be in the form and containing the information required by applicable laws, rules and regulations, provided that any person who is otherwise entitled to the Relevant Financial Documents may, if he so requires and in accordance with the Ordinance and all other applicable laws, rules and regulations, by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial report, a complete printed copy of the Relevant Financial Documents.

(D) The requirement to send to a person referred to in paragraph (B) of this Article the Relevant Financial Documents or a summary financial report in accordance with paragraph (C) of this Article shall be deemed satisfied where, in accordance with the Ordinance and other applicable laws, rules and regulations, the Company publishes copies of the Relevant Financial Documents and, if applicable, a summary financial report complying with

paragraph (C) of this Article, on the Company's computer network or its website (if any) or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of the Relevant Financial Documents or summary financial report.

Audit

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

Appointment of
auditors

169. Subject as otherwise provided by the Companies Ordinance the remuneration of the Auditors shall be fixed by the Company in general meeting provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board.

Auditors'
remuneration

Notices

170. (A) Any notice or document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules from time to time in force), to be given or issued by the Company to a member, whether or not under the Ordinance, other applicable laws, rules and regulations or these Articles, shall be given in writing or by cable, telex or facsimile transmission message or other form of electronic communication. or transmission and any such notice and document may be served or delivered by the Company on or to any member (1) personally or (2) by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register of members, whether in or outside Hong Kong, or by delivering or leaving it at such registered address as aforesaid or (3) as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website (if any) supplied by him to the Company for the giving of notice or document to him or (4) (in the case of a notice) by advertisement in an English language daily newspaper and a Chinese language daily newspaper circulating in Hong Kong or (5) subject to due compliance with the Ordinance and other applicable laws, rules and regulations, by publishing it on the Company's computer network or its website (if any), giving access to such network or website (if any) to the member and giving to the member a notice stating that the notice or other document is available there (a "notice of availability") or (6) in any other permitted manner from time to time.

Service of
notices

(B) In the case of joint holders of a share, all notices or documents shall be given to that one of the joint holders whose name stands first in the register and notice or documents so given shall be deemed a sufficient service to all the joint holders.

Notice to joint
holders

171. A member shall be entitled to have notices served on him at any address within Hong Kong. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the registered office of the Company and shall have remained there for the space of twenty-four hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.

Members
outside Hong
Kong

172. Any notice or other document (including any "corporate communication" within the meaning ascribed thereto under the Listing Rules from time to time in force) given or issued by the Company:-

Communication
of notice

- (i) if served by post, shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by air-mail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (ii) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice or document placed on the Company's computer network or website (if any) is deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member;
- (iii) if served or delivered in any other manner contemplated by these Articles other than by advertisement in newspapers in accordance with Article 170, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof;
- (iv) if served by advertisement in newspapers in accordance with Article 170, shall be deemed to have been served on the day on which the notice is first published; and
- (v) may be given to a member either in the English language or the Chinese language only or in both the English language and Chinese language, subject to due compliance with the Ordinance and other applicable laws, rules and regulations.

173. A notice or document may be given by or on behalf of the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member in such manner as provided in Article 170 in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

Notice to person entitled by transmission

174. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.

Transferee to be bound by notice

175. Any notice or document delivered or sent to any member in such manner as provided in Article 170 in pursuance of these presents, shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

Notice valid though member deceased etc.

176. The signature to any notice or document to be given by the Company may be written, printed or made electronically.

Signature on notice

Information

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

Member not
entitled to
information

Winding Up

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

Surplus after
winding up

179. If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Companies Ordinance, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

Liquidator's
division of assets

180. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement in such English language daily newspaper circulating in Hong Kong as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Members
outside
Hong Kong in
event of
winding up

Indemnity

181. (A) Every Director, manager or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director, manager or other officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the

Indemnity

duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.

(B) The Company may indemnify any Director, manager, Secretary or other officer of the Company, or any person employed by the Company as Auditor, against any liability incurred by him:-

- (i) in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted; or
- (ii) in connection with any application under section 358 of the Companies Ordinance in which relief is granted to him by the court.

(C) The Company may purchase and maintain for any Director, manager, Secretary or other officer of the Company, or any person employed by the Company as Auditor:-

Purchase of
insurance

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

(D) In this Article, "related company", in relation to the Company, means any company that is the Company's subsidiary or holding company or a subsidiary of that company's holding company.

Names, Addresses and Descriptions of Subscribers
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Dated the 30th day of April, 1963.

WITNESS to the above signatures: -

(Sd.) **F. H. Kwok**
Solicitor,
HONG KONG.