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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in doubt** as to any aspect of this circular or the offers referred to herein, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

**If you have sold or transferred** all your shares in Tsaker Chemical Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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**Tsaker Chemical Group Limited**  
**彩客化學集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1986)**

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;  
PROPOSED RE-ELECTION OF DIRECTORS;  
PROPOSED CHANGE OF COMPANY NAME;  
PROPOSED ADOPTION OF THE SECOND AMENDED AND  
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION;  
AND  
NOTICE OF AGM**

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A notice convening the Annual General Meeting of the Company to be held at Building No. 10, 109 Jinghaisanlu, Beijing Economic-Technological Development Area, the PRC at 10:00 a.m. on Tuesday, 10 May 2022 is set out on pages 85 to 90 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit it with Tricor Investor Services Limited, the branch share registrar of the Company in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting (no later than 10:00 a.m. on Sunday, 8 May 2022 (Hong Kong time)) or any adjournment thereof (as the case may be).

Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

\* *for identification purposes only*

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
<b>Letter from the Board</b> .....	4
<b>Appendix I – Explanatory statement</b> .....	13
<b>Appendix II – Particulars of Directors subject to re-election</b> .....	17
<b>Appendix III – The New Articles of Association</b> .....	20
<b>Notice of AGM</b> .....	85

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be convened and held at Building No. 10, 109 Jinghaisanlu, Beijing Economic-Technological Development Area, the PRC at 10:00 a.m. on Tuesday, 10 May 2022, the notice of which is set out on pages 85 to 90 of this circular, and any adjournment thereof
“Articles of Association”	the memorandum and articles of association of the Company
“Board”	the board of Directors
“Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, consolidated or otherwise modified from time to time
“Company”	Tsaker Chemical Group Limited, a company incorporated in the Cayman Islands and the Shares of which are listed on the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to extend the Issue Mandate by an amount representing the aggregate amount of Shares repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares of up to a maximum of 20% of the aggregate number of issued Shares as at the date of passing of the relevant resolution

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## DEFINITIONS

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“Latest Practicable Date”	7 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Amendments”	the proposed amendments to the Articles of Association as set out in Appendix III to this circular
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “Tsaker Chemical Group Limited” to “Tsaker New Energy Tech Co., Limited” and the proposed change of the dual foreign name in Chinese of the Company from “彩客化学集团有限公司” to “彩客新能源科技有限公司”
“New Articles of Association”	the second amended and restated memorandum and articles of association of the Company set out in Appendix III to this circular (with proposed changes marked-up against the existing Articles of Association posted on the website of the Stock Exchange) proposed to be adopted by the Shareholders at the AGM
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase Shares, the aggregate nominal amount of which shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of par value US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-Backs issued by the Securities and Futures Commission in Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

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LETTER FROM THE BOARD

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**Tsaker Chemical Group Limited**

**彩客化學集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1986)**

*Executive Directors:*

Mr. Ge Yi (*Chairman and chief executive officer*)

Mr. Bai Kun

Ms. Zhang Nan

*Non-executive Director:*

Mr. Fontaine Alain Vincent

*Independent non-executive Directors:*

Mr. Ho Kenneth Kai Chung

Mr. Zhu Lin

Mr. Yu Miao

*Registered office:*

P.O. Box 472

2nd Floor, Harbour Place

103 South Church Street, George Town

Grand Cayman KY1-1106

Cayman Islands

*Head office in the PRC:*

Building No. 10

109 Jinghaisanlu

Beijing Economic-Technological

Development Area

the PRC

19 April 2022

*To the Shareholders*

Dear Sirs

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES;  
PROPOSED RE-ELECTION OF DIRECTORS;  
PROPOSED CHANGE OF COMPANY NAME;  
PROPOSED ADOPTION OF THE SECOND AMENDED AND  
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION;  
AND  
NOTICE OF AGM**

**INTRODUCTION**

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include resolutions relating to the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of final dividend, the Proposed Change of Company Name and the Adoption of the New Articles of Association.

\* *for identification purposes only*

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## LETTER FROM THE BOARD

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### ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to give the Directors the Issue Mandate. As at the Latest Practicable Date, a total of 1,026,255,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 205,251,000 Shares.

### REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to give the Directors the Repurchase Mandate.

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the issued Shares as at the date of the grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

The Issue Mandate and the Repurchase Mandate would expire at the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the end of the period within which the Company is required by the Companies Act or the Articles of Association to hold its next annual general meeting; and
- (c) when revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting of the Company.

Under the Listing Rules, the Company is required to give Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote in favour of or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

In accordance with Article 16.19 of the Articles of Association, each of Mr. Ge Yi, Mr. Ho Kenneth Kai Chung and Mr. Yu Miao will retire as the Director by rotation at the Annual General Meeting and, being eligible, will offer himself for re-election as the Director by the Shareholders at the Annual General Meeting.

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## LETTER FROM THE BOARD

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For the information of the Shareholders, the Board selects the independent non-executive Directors based on their qualification and experience and hence their ability to contribute to the affairs of the Group, and of overriding importance is their possession of a mindset that is independent and constructively challenges management's views. Although some independent non-executive Directors do not necessarily have a background related to the principal business of the Group, their professional background and experience in economics, finance or law have enabled them to contribute to the management of the risks involved as well as to the diversity of the skills, experiences and perspectives of the Board given their different educational backgrounds and diverse work experience.

The nomination committee of the Company has (i) reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills, experience, professional knowledge, time commitments and contribution of the retiring Directors with reference to the nomination principles, (ii) considered the diverse aspects (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) set out in the Company's board diversity policy, and (iii) the independence of all independent non-executive Directors.

The Board is of the view that, Mr. Ge Yi possesses rich experience in this industry and is able to provide valuable professional advice to the Company. In addition, Mr. Ho Kenneth Kai Chung and Mr. Yu Miao represent qualification and industry backgrounds which are different from those of other Directors and the Board believes that they will bring professionalism and diverse perspectives to the Board, thus contributing to better corporate governance of the Company.

The re-election of Mr. Ho Kenneth Kai Chung and Mr. Yu Miao as the independent non-executive Directors at the Annual General Meeting has been considered and approved by the Board.

Mr. Kenneth Kai Chung and Mr. Yu Miao are not involved in the daily management of the Company nor has any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders which would interfere with the exercise of their independent judgment. In addition, each of Mr. Ho Kenneth Kai Chung and Mr. Yu Miao has made a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The nomination committee of the Company and the Board are of the view that after taking into account of the above factors, both Mr. Ho Kenneth Kai Chung and Mr. Yu Miao meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the provisions of the guidelines.

Brief particulars of each of the abovementioned Directors are set out in Appendix II to this circular.



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## LETTER FROM THE BOARD

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### **DECLARATION OF FINAL DIVIDEND**

As set out in the annual results announcement of the Company for the year ended 31 December 2021 dated 25 March 2022, the Board recommended the payment of a final dividend of RMB0.068 per Share for the year ended 31 December 2021. The proposed payment of final dividend is subject to the approval of the Shareholders at the Annual General Meeting. If the resolution for the proposed payment of final dividend is passed at the Annual General Meeting, the final dividend will be payable on 31 May 2022 to the Shareholders whose names appear on the register of members of the Company on 18 May 2022.

### **CHANGE OF COMPANY NAME**

The Board proposes to change the English name of the Company from “Tsaker Chemical Group Limited” to “Tsaker New Energy Tech Co., Limited” and the dual foreign name in Chinese of the Company from “彩客化学集团有限公司” to “彩客新能源科技有限公司”.

### **Conditions of the Proposed Change of Company Name**

The Proposed Change of Company Name is subject to the following conditions:

- (a) the passing of a special resolution by the Shareholders at the AGM approving the Proposed Change of Company Name; and
- (b) the Registrar of Companies in the Cayman Islands approving the Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect upon the date of the issue of a certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands confirming that the new name has been registered. The Company will then carry out the necessary filing procedures with the Companies Registry in Hong Kong.

### **Reasons for the Proposed Change of Company Name**

The Board considers that the Proposed Change of Company Name will better reflect the direction of future development of the Group. Since 2017, the Group has entered the field of new energy battery materials and established the first lithium battery cathode material iron phosphate production line. After several years of continuous research and development, upgrading and production expansion, the Group has made breakthroughs in the field of new energy battery materials, and the battery materials segment has become the Group’s fastest-growing business segment in recent years.

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## LETTER FROM THE BOARD

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The battery materials segment of the Company recorded sales income of approximately RMB173.5 million in 2021, representing a significant increase of about 20 times of the sales income of approximately RMB8.2 million in 2020. Please refer to the annual results announcement of the Company for the year ended 31 December 2021 dated 25 March 2022 for further details. The Company has further expanded its production capacity on this basis, and it has currently completed the construction of production expansion facilities to increase the capacity of the existing production line from 20,000 tons/year to 30,000 tons/year. Meanwhile, the Company has commenced construction of the new phase one production line for iron phosphate at Shandong Tsaker New Materials Co., Ltd., with a production capacity of 50,000 tons/year and expected to be completed by the end of 2022. By then, the Company will possess a total production capacity of 80,000 tons/year for iron phosphate products at its two production bases, and it expects that the business of the battery materials segment will further grow significantly.

Facing the vast and rapidly growing new energy battery materials field, the Company will continue to leverage its own advantages in technology, environment protection measures and global sales network to develop its new energy battery materials segment as one of the Group's core businesses in its future development. The Board believes that the Proposed Change of Company Name will provide the Company with a more relevant corporate image and identity, which will benefit the Company's future business development, and such adoption would also be in the best interests of the Company and the Shareholders as a whole.

### **Effect of the Proposed Change of Company Name**

The Proposed Change of Company Name will not affect any rights of any Shareholders or the Company's daily business operation and/or its financial position. All existing share certificates of the Company in issue bearing the existing name of the Company will, upon the Proposed Change of Company Name becoming effective, continue to be valid evidence of legal title to the Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for the free exchange of the existing share certificates for new share certificates bearing the new name of the Company. Upon the Proposed Change of Company Name becoming effective, any issue of share certificates thereafter will bear the new name of the Company and the Shares will be traded on the Stock Exchange under the new name. The website of the Company will remain as "www.tsaker.com".

The Board intends to change the English and Chinese stock short names of the Company accordingly after the Proposed Change of Company Name becomes effective, subject to the confirmation of the Stock Exchange.

### **ADOPTION OF THE NEW ARTICLES OF ASSOCIATION**

As disclosed in the announcement of the Company on 25 March 2022, the Board proposes to amend the existing Articles of Association in view of the Proposed Change of Company Name and the recent changes to Appendix 3 to the Listing Rules.

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## LETTER FROM THE BOARD

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The Proposed Amendments reflect the Proposed Change of Company Name by replacing all references to “Tsaker Chemical Group Limited 彩客化学集团有限公司” in the existing Articles of Association with “Tsaker New Energy Tech Co., Limited 彩客新能源科技有限公司” and set out certain changes pursuant to the latest version of the Companies Act and Appendix 3 to the Listing Rules. In addition, other house-keeping amendments have also been incorporated to reflect consequential updates and changes in conjunction with the Proposed Amendments.

A summary of the major Proposed Amendments is set forth below:

- (a) to provide that the necessary quorum for general meetings to approve the variation of rights, including adjourned meetings, shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class;
- (b) to remove the restriction that where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all Shareholders alike;
- (c) to provide that any Shareholder who seeks to inspect the register of Shareholders when it is closed may request the Company to issue a certificate signed by the company secretary of the Company stating the period for which, and by whose authority, it is closed;
- (d) to hold an annual general meeting for each financial year and such annual general meeting must be held within six months after the end of the Company’s financial year;
- (e) to allow any one or more Shareholders holding a minority stake of not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings on a one vote per share basis to be able to convene an extraordinary general meeting and add resolutions to the meeting agenda of the general meeting so convened;
- (f) to provide that the notice period for general meetings shall be exclusive of the day on which notice is served or deemed to be served;
- (g) to provide that eligible Shareholders have the right to (i) speak at a general meeting; and (ii) vote at a general meeting except where a Shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration;
- (h) to clarify that the rights and powers which proxies representing either a Shareholder who is an individual or a Shareholder which is a corporation could exercise include the right to vote and the right to speak;

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## LETTER FROM THE BOARD

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- (i) to allow a duly authorized representative of any corporation which is a Shareholder to attend and vote at any meeting of the Company;
- (j) to clarify that the rights and powers which an authorized representative of the Hong Kong Securities Clearing Company Limited could exercise include the right to vote and the right to speak;
- (k) to clarify that any person appointed by the Directors to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting of the Company after his appointment;
- (l) to provide that Shareholders in general meeting shall have the power by ordinary resolution to remove any Director before the expiration of his period of office but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company;
- (m) to clarify that the appointment, removal and remuneration of auditors must be approved by the Shareholders by ordinary resolution;
- (n) to provide that a resolution that the Company be wound up by the court or to be wound up voluntarily shall be passed by way of a special resolution; and
- (o) any other consequential and housekeeping changes.

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

A special resolution will be proposed at the AGM to approve the adoption of the New Articles of Association. In view of the number of amendments proposed to be made to the existing Articles of Association, the Board proposes that the New Articles of Association incorporating the Proposed Amendments be adopted in substitution for, and to the exclusion of, the existing Articles of Association with effect from passing the relevant special resolution at the AGM and subject to the Proposed Change of Company Name taking effect.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments comply with the requirements of the Listing Rules and the legal advisers to the Company as to Cayman Islands laws have confirmed that the Proposed Amendments do not violate the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments.

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## LETTER FROM THE BOARD

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### ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors and the declaration of final dividend; and special resolutions will be proposed to approve the change of Company name and the adoption of the New Articles of Association. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

A notice of the Annual General Meeting is set out on pages 85 to 90 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the Annual General Meeting (no later than 10:00 a.m. on Sunday, 8 May 2022 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

### RESPONSIBILITY STATEMENT

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

### RECOMMENDATION

The Directors believe that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of final dividend, the Proposed Change of Company Name and the Adoption of the New Articles of Association are beneficial to and in the best interests of the Company and the Shareholders as a whole.

The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that repurchases of Shares will benefit the Company and the Shareholders.

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## LETTER FROM THE BOARD

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Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions approving the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors, the declaration of final dividend, the Proposed Change of Company Name and the Adoption of the New Articles of Association at the Annual General Meeting.

### **CLOSURE OF THE REGISTER OF MEMBERS**

The register of members of the Company will be closed from 4 May 2022 to 10 May 2022, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 3 May 2022.

The register of members of the Company will also be closed from 16 May 2022 to 18 May 2022, both days inclusive, in order to determine the entitlement of the Shareholders to receive the final dividend, during which period no share transfers will be registered. To be eligible to receive the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 13 May 2022.

### **ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in the Appendices to this circular and the notice of the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board of  
**Tsaker Chemical Group Limited**  
**Ge Yi**  
*Chairman*

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote in favour of or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

### **LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES**

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below.

- (a) The shares proposed to be purchased by the company are fully paid-up;
- (b) The company has previously sent to its shareholders an explanatory statement complying with the provisions of Rule 10.06(1)(b) of the Listing Rules; and
- (c) The shareholders of the company have given a specific approval or a general mandate to the directors of the company to make the purchase(s), by way of an ordinary resolution which complies with the provisions of Rule 10.06(1)(c) of the Listing Rules and which has been passed at a general meeting of the company duly convened and held.

### **SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,026,255,000 Shares.

Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 102,625,500 Shares.

### **REASONS FOR THE REPURCHASE**

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. An exercise of the power of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Such an exercise will only be made if the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders.

**FUNDING OF REPURCHASE**

Repurchase made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Act and other applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Act, repurchases by the Company may only be made out of profits of the Company, or out of the share premium account or out of the proceeds of a fresh issue of Shares made for the purpose or, if so authorized by the Articles of Association and subject to the provisions of the Companies Act, out of capital.

**IMPACT OF REPURCHASE**

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with that as at 31 December 2021, being the date of its latest published audited consolidated accounts. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements and/or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

**SHARE PRICES**

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the 12 calendar months immediately precedent the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2021</b>		
April	1.25	1.13
May	1.39	1.16
June	1.45	1.24
July	1.86	1.28
August	1.59	1.24
September	1.53	1.31
October	1.71	1.32
November	1.74	1.38
December	1.45	1.25



	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2022</b>		
January	1.42	1.22
February	1.42	1.28
March	1.45	1.09
April <i>(Note)</i>	1.43	1.32

*Note:* up to the Latest Practicable Date

## DISCLOSURE OF INTERESTS AND UNDERTAKING OF THE DIRECTORS

After all reasonable enquiries are made, none of the Directors nor any of their close associates (as defined in the Listing Rules), to the best of their knowledge, have any present intention to sell to the Company or its subsidiaries any of the Shares if the grant of the Repurchase Mandate is approved at the Annual General Meeting and exercised.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the proposed resolution regarding the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the memorandum of association of the Company and the Articles of Association.

## EFFECTS OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any consequences which would give rise to an obligation for it to make a mandatory offer under Rule 26 of the Takeovers Code. As at the Latest Practicable Date, none of the Shareholders or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required under the Listing Rules.

As at the Latest Practicable Date, no core connected person of the Company has notified the Company that he/she/it had a present intention to sell any Shares nor had such core connected person undertaken to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

#### SECURITIES REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had repurchased a total of 2,213,000 Shares on the Stock Exchange pursuant to the general mandate to repurchase Shares granted by the Shareholders at the annual general meeting held on 11 May 2021, details of which were as follows:

<b>Date of Shares repurchased</b>	<b>Total number of Shares repurchased</b>	<b>Highest price paid per Share (HK\$)</b>	<b>Lowest price paid per Share (HK\$)</b>	<b>Aggregate consideration (HK\$)</b>
15/10/2021	134,500	1.44	1.41	189,840
19/10/2021	105,000	1.47	1.46	153,650
09/11/2021	132,000	1.54	1.52	202,620
10/11/2021	123,000	1.55	1.51	188,450
15/11/2021	131,000	1.56	1.53	203,190
16/11/2021	210,000	1.52	1.49	314,400
19/11/2021	197,000	1.47	1.45	287,690
23/11/2021	264,000	1.41	1.40	370,855
30/11/2021	209,500	1.41	1.39	292,900
15/12/2021	341,000	1.36	1.33	458,380
23/12/2021	366,000	1.31	1.30	476,240

No Shares repurchased by the Company during the six months preceding the Latest Practicable Date have been cancelled.

Save as disclose above, the Company has not repurchased any of the Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

**PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION**

The particulars of the eligible Directors subject to re-election at the Annual General Meeting are set out below:

**Executive Director**

**Mr. GE Yi (former name: GE Yuanyuan)**, aged 40, is an executive Director, the Chief Executive Officer and the Chairman of our Company, responsible for overall business strategy and major business decisions of our Group. Mr. Ge joined us in February 2007 and was promoted to vice-president and president in December 2011 and August 2012, respectively. Mr. Ge is also the chairman of board of directors of Hebei Tsaker Chemical Co., Limited.

Mr. Ge obtained a master's degree in International Business Management from Middlesex University in the United Kingdom in February 2007 and completed studies in chemical engineering from Tianjin University in the PRC in July 2004.

As at the Latest Practicable Date, Mr. Ge was the sole beneficial owner of Cavalli Enterprises Inc. and was deemed to be interested in 133,337,750 Shares, representing approximately 12.99% of the total issued Shares. Mr. Ge Yi is also deemed to be interested in the 400,013,250 Shares (representing approximately 38.98% of the total issued Shares) which Hero Time Ventures Limited, Radiant Pearl Holdings Limited and Star Path Ventures Limited are interested in under section 317 of the SFO. Save as disclosed above, Mr. Ge was not interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO as at the Latest Practicable Date.

Mr. Ge is the son of Mr. Ge Jianhua, the founder of the Group. Mr. Ge Yi is the spouse of Ms. Qi Lin, a substantial shareholder of the Company. Mr. Ge is also the father of Mr. Ge Chengyu and Ms. Ge Chenghui, both are the substantial shareholders of the Company. Save as disclosed above, Mr. Ge was not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

In the three years immediately preceding the Latest Practicable Date, Mr. Ge had not held any directorship in listed public companies or other major appointments and qualifications.

Mr. Ge has entered into a service contract with the Company for a term of three years since 15 June 2021, which may be terminated in accordance with the terms of the service contract. Mr. Ge is entitled to RMB2,428,000 per annum as service fee for his appointment as an executive Director. For the year ended 31 December 2021, Mr. Ge received remuneration of RMB2,862,000, inclusive of performance related bonus of RMB393,000.

**Independent non-executive Directors**

**Mr. HO Kenneth Kai Chung**, aged 56, is an independent non-executive Director since March 2015, being responsible for overseeing the management of our Group independently. Prior to joining the Group, Mr. Ho served as a managing director of Munsun Asset Management (Asia) Ltd. between January 2014 and March 2015. Since November 2013, Mr. Ho became an independent non-executive director of TK Group (Holdings) Limited (stock code: 2283) and an independent non-executive director of BBI Life Sciences Corporation (stock code: 1035) from October 2014 onwards. From August 2015 to August 2018, Mr. Ho became the chief financial officer and joint company secretary of Greentown Service Group Co. Ltd. Mr. Ho has served as the investment consultant of Greentown Service Group Co. Ltd. since August 2018. Mr. Ho previously worked in various international financial institutions, such as a senior research analyst of Credit Lyonnais Securities (Asia) Limited from September 1996 to February 1999, and a vice president in the Research Department of Institutional Equities, Asia Pacific Department of JP Morgan from February 1999 to October 2004. Mr. Ho served various positions in HSBC, such as the Head of China Value and Growth Research in CIBM Research Asia of HSBC Markets (Asia) Limited in September 2004, Head of China Research of HSBC (Securities Business) Beijing Representative Office in June 2008, and Hong Kong China equity sales director of HSBC in January 2011.

Mr. Ho obtained a master's degree in commerce, specializing in Finance, from the University of New South Wales in Australia in April 1991, and a bachelor's degree in Economics from the University of Sydney in Australia in May 1988. He was awarded as Chartered Financial Analyst by the Institute of Chartered Financial Analysts in September 1998, and has been a CFA charter holder and a member of the Association for Investment Management and Research since January 1999.

Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Ho had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Ho does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Ho was not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

Mr. Ho has signed a letter of appointment with the Company for a term of three years since 15 June 2021, which may be terminated in accordance with the terms of the letter of appointment. Mr. Ho is entitled to RMB200,000 per annum as service fee for his appointment as an independent non-executive Director. For the year ended 31 December 2021, Mr. Ho received remuneration of approximately RMB199,000.

**Mr. YU Miao**, aged 45, is an independent non-executive Director since March 2015, being responsible for overseeing the management of our Group independently. Mr. Yu is also a partner of Global Law Office. Mr. Yu was a non-executive director of Beijing Chexun Internet Company Limited (北京車訊互聯網股份有限公司), a company whose shares are quoted on the National Equations Exchange and Quotation in the PRC (新三板) from July 2016 to April 2021. Prior to joining our Group in March 2015, Mr. Yu was a partner of Global Law Office from March 2006 to June 2010, and subsequently a partner of Norton Rose (Asia) LLP from June 2010 to June 2011. Mr. Yu returned to Global Law Office as a partner in July 2011 and has been a partner there since then. Mr. Yu obtained a postgraduate diploma in International Law from The University of Nottingham in the United Kingdom in December 2001, and a bachelor's degree in Economic Law from Heilongjiang University in the PRC in July 1999. Mr. Yu was qualified as a lawyer in the PRC in March 2000.

Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Yu had not held any directorship in listed public companies or other major appointments and qualifications.

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Yu does not have any interests in the securities of the Company within the meaning of Part XV of the SFO. Mr. Yu was not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

Mr. Yu has signed a letter of appointment with the Company for a term of three years since 15 June 2021, which may be terminated in accordance with the terms of the letter of appointment. Mr. Yu is entitled to RMB200,000 per annum as service fee for his appointment as an independent non-executive Director. For the year ended 31 December 2021, Mr. Yu received remuneration of approximately RMB200,000.

### **General**

Save as disclosed above, the Directors consider that there is no information to be disclosed pursuant to any requirement of Rule 13.51(2) of the Listing Rules (in particular, paragraphs (h) to (v) of that Rule) and that there are no other matters in relation to the re-election of Directors at the Annual General Meeting which need to be brought to the attention of the Shareholders.

*Note:* This document has been translated into Chinese. In case of discrepancies between the English version and Chinese version, the English version shall prevail.

**THE COMPANIES LAW ACT (~~2013 REVISION~~AS REVISED)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**SECOND AMENDED AND RESTATED**

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**~~TSAKER CHEMICAL GROUP~~ NEW ENERGY TECH CO., LIMITED**

~~彩客化学集团有限公司~~  
彩客新能源科技有限公司

(adopted by special resolution passed on ~~12 June 2015~~ conditional upon and with effect from the date on which the shares of the Company are listed on the main board of ~~The Stock Exchange of Hong Kong Limited~~ [DATE])

**Registered Office:**  
**c/o International Corporation Services Ltd.**  
**P.O. Box 472**  
**2nd Floor, Harbour Place**  
**103 South Church Street**  
**George Town**  
**Grand Cayman KY1-1106**  
**Cayman Islands**

**THE COMPANIES LAWACT (2013-REVISIONAS REVISED)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**SECOND AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**TSAKER CHEMICAL GROUPNEW ENERGY TECH CO., LIMITED**

彩客化学集团有限公司  
彩客新能源科技有限公司

(adopted by special resolution passed on 12 June 2015 conditional upon and with effect from the date on which the shares of the Company are listed on the main board of The Stock Exchange of Hong Kong Limited [DATE])

- 1 The name of the Company is **Tsaker Chemical GroupNew Energy Tech Co., Limited**, 彩客化学集团有限公司彩客新能源科技有限公司.
- 2 The registered office of the Company shall be at the offices of International Corporation Services Ltd., P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands, or at such other place as the Directors may from time to time decide.
- 3 The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies LawAct (as amendedrevised).
- 4 The liability of each member is limited to the amount from time to time unpaid on such member's shares.
- 5 The share capital of the Company is US\$10,000,000 divided into 1,000,000,000 shares of par value US\$0.01 each.
- 6 If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies LawAct (2013-Revisionas revised) and, subject to the provisions of the Companies LawAct (2013-Revisionas revised) and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

**TABLE OF CONTENTS**

1	EXCLUSION OF TABLE A
2	INTERPRETATION
3	SHARE CAPITAL AND MODIFICATION OF RIGHTS
4	REGISTER OF MEMBERS AND SHARE CERTIFICATES
5	LIEN
6	CALLS ON SHARES
7	TRANSFER OF SHARES
8	TRANSMISSION OF SHARES
9	FORFEITURE OF SHARES
10	ALTERATION OF CAPITAL
11	BORROWING POWERS
12	GENERAL MEETINGS
13	PROCEEDINGS AT GENERAL MEETINGS
14	VOTES OF MEMBERS
15	REGISTERED OFFICE
16	BOARD OF DIRECTORS
17	MANAGING DIRECTORS
18	MANAGEMENT
19	MANAGERS
20	PROCEEDINGS OF DIRECTORS
21	SECRETARY
22	GENERAL MANAGEMENT AND USE OF THE SEAL



- 23 CAPITALISATION OF RESERVES
- 24 DIVIDENDS AND RESERVES
- 25 UNTRACEABLE MEMBERS
- 26 DOCUMENT DESTRUCTION
- 27 ANNUAL RETURNS AND FILINGS
- 28 ACCOUNTS
- 29 AUDIT
- 30 SUBSCRIPTION RIGHTS RESERVE
- 31 NOTICES
- 32 INFORMATION
- 33 WINDING UP
- 34 INDEMNITIES
- 35 FINANCIAL YEAR
- 36 AMENDMENT OF MEMORANDUM AND ARTICLES

**THE COMPANIES ~~LAW~~ACT (2013-REVISIONAS REVISED)  
OF THE CAYMAN ISLANDS  
COMPANY LIMITED BY SHARES**

**SECOND AMENDED AND RESTATED  
MEMORANDUM AND ARTICLES OF ASSOCIATION**

**OF**

**TSAKER CHEMICAL GROUPNEW ENERGY TECH CO., LIMITED**

彩客化学集团有限公司  
彩客新能源科技有限公司

(adopted by special resolution passed on ~~12 June 2015 conditional upon and with effect~~  
~~from the date on which the shares of the Company are listed on the main board of The~~  
~~Stock Exchange of HongKong Limited~~[DATE])

**1 Exclusion of Table A**

The regulations contained in Table A in the First Schedule to the Companies ~~LAW~~Act shall not apply to the Company.

**2 Interpretation**

2.1 The marginal notes to these Articles shall not affect the interpretation hereof.

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

“Articles” shall mean these Articles of Association and all supplementary, amended or substituted Articles for the time being in force.

“Auditors” shall mean the persons appointed by the Company from time to time to perform the duties of auditors of the Company.

“Board” shall mean the majority of the Directors present and voting at a meeting of Directors at which a quorum is present.

“capital” shall mean the share capital from time to time of the Company.

App-34(+)

“Chairman”	shall mean the Chairman presiding at any meeting of members or of the Board.
“Close Associate”	shall have the meaning attributed to it in the Listing Rules.
“Companies <del>Law</del> <u>Act</u> ” or “Law”	shall mean the Companies <del>Law</del> <u>Act</u> (2013 <del>Revisions</del> <u>as revised</u> ) of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
“Companies Ordinance”	shall mean the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) as in force from time to time.
“Company”	shall mean <del>Tsaker Chemical Group</del> <u>New Energy Co., Limited, 彩客化学集团有限公司彩客新能源科技有</u> <u>限公司.</u>
“Company’s Website”	shall mean the website of the Company, the address or domain name of which has been notified to members.
“Director”	shall mean any director from time to time of the Company.
“dividend”	shall include bonus dividends and distributions permitted by the Law to be categorised as dividends.
“dollars” and “HK\$”	shall mean dollars legally current in Hong Kong.
“electronic”	shall have the meaning given to it in the Electronic Transactions <del>Law</del> <u>Act</u> .
“electronic means”	includes sending or otherwise making available to the intended recipients of the communication in electronic format.

<b>“Electronic Signature”</b>	shall mean an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication.
<b>“Electronic Transactions LawAct”</b>	shall mean the Electronic Transactions <del>LawAct</del> (2003–Revision <del>as revised</del> ) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
<b>“Exchange”</b>	shall mean The Stock Exchange of Hong Kong Limited.
<b>“HK\$” or “the dollars” and “HK cents”</b>	shall mean Hong Kong dollars and cents, respectively the lawful currency of Hong Kong.
<b>“HK Code on Takeovers and Mergers”</b>	shall mean the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time.
<b>“holding company”</b>	shall have the meaning attributed to such term in the Companies Ordinance.
<b>“listed shares register”</b>	shall have the same meaning as in the Companies <del>LawAct</del> .
<b>“Listing Rules”</b>	shall mean the Rules Governing the Listing of Securities on the Exchange as amended from time to time.
<b>“members”</b>	shall mean the persons who are duly registered as the holders from time to time of shares in the register including persons who are jointly so registered.
<b>“month”</b>	shall mean a calendar month.
<b>“non-listed shares register”</b>	shall have the same meaning as in the Companies <del>LawAct</del> .

<b>“ordinary resolution”</b>	means a resolution: <ul style="list-style-type: none"><li>(a) passed by a simple majority of such members as, being entitled to do so, vote in person or, in the case of such members being corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which <del>Notice</del><u>notice</u> has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each member is entitled; or</li><li>(b) approved in writing by all of the members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed.</li></ul>
<b>“published in the newspapers”</b>	shall mean published as a paid advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong in accordance with the Listing Rules.
<b>“published on the Exchange’s website”</b>	shall mean published in English and Chinese on the Exchange’s website in accordance with the Listing Rules.
<b>“recognised clearing house”</b>	shall have the meaning ascribed thereto in Part I of Schedule 1 of the Securities and Futures Ordinance of Hong Kong and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.
<b>“register”</b>	shall mean the listed shares register and the non-listed shares register.

- “seal”** shall include the common seal of the Company, the securities seal or any duplicate seal adopted by the Company pursuant to Article 22.2.
- “Secretary”** shall mean the person appointed as company secretary by the Board from time to time.
- “share”** shall mean a share in the capital of the Company.
- “special resolution”**
- (a) passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled to do so, vote in person or, in the case of such members being corporations, by their respective duly authorized representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which Notice~~notice~~ specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each member is entitled; or
  - (b) approved in writing by all of the members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed.
- “subsidiary”** shall have the meaning attributed to such term in the Companies Ordinance, but interpreting the term “subsidiary” in accordance with the definition of “subsidiary” under the Listing Rules.
- “transfer office”** shall mean the place where the principal register is situate for the time being.

2.3 Subject as aforesaid, any words defined in the Law shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles.

2.4 Words importing either gender shall include the other gender and the neuter; words importing persons and the neuter shall include companies and corporations and vice versa; and words denoting the singular shall include the plural and words denoting the plural shall include the singular.

2.5 “**Writing**” or “**printing**” shall include writing, printing, lithograph, photograph, type-writing and every other mode of representing words or figures in a legible and non-transitory form and, only where used in connection with a notice served by the Company on members or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference.

2.6 Section 8 of the Electronic Transactions LawAct shall not apply.

### 3 Share Capital and Modification of Rights

Capital  
App 3 r.9

3.1 The capital of the Company at the date of the adoption of these Articles is US\$10,000,000 divided into 1,000,000,000 shares of par value US\$0.01 each.

Issue of shares  
App 3 r.6(1)

3.2 (a) Subject to the provisions of the Companies LawAct, the Memorandum of Association and these Articles, and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by Ordinary Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board of Directors may determine. No shares shall be issued to bearer.

(b) Subject to the provisions of the Companies LawAct, the Listing Rules and the Memorandum of Association and these Articles, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board of Directors may deem fit.

Issue of  
warrants  
App 3 r.2(2)

3.3 Subject to the Listing Rules, the Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a recognised clearing house (in its capacity as such) is a member of the Company. 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.

How class  
rights may be  
modified  
App 3 r.6(2)  
App 13  
Part Br.2(1)  
Para.15

3.4 Subject to the Companies Law~~Act~~ and without prejudice to Article 3.2, if at any time the share capital is divided into different classes of shares, the rights attaching to the shares or any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated only with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of the class. To every such separate general meeting the provisions of these Articles relating to any general meetings of the Company shall mutatis mutandis apply, but so that:

- (a) the necessary quorum ~~(other than at an adjourned meeting)~~ shall be two persons (or in the case of a member being a corporation, its duly authorized representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class~~and at any adjourned meeting of such holders, two holders present in person~~~~(or in the case of a member being a corporation, its duly authorized representative)~~ or by proxy ~~(whatever the number of shares held by them)~~ shall be a quorum;
- (b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
- (c) any holder of shares of the class present in person or by proxy or authorized representative may demand a poll.

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

Company  
may purchase  
and finance  
the purchase  
of own shares  
and warrants

3.6 Subject to the Law, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire all or any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorized by a resolution of the members or a resolution of the Directors and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorized or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, 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 or any company which is a holding company of 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 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 in accordance with any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

Power to increase capital

3.7 The Company in general meeting may, from time to time, whether or not all the shares for the time being authorized 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.

Redemption

3.8 Subject to the provisions of the Law and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

App 3r.8(1) & (2)

3.9 ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.~~Deleted.

Purchase or redemption not to give rise to other purchases or redemptions

3.10 The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.

Certificates to be surrendered for cancellation

3.11 The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its principal place of business in Hong Kong or such other place as the Board shall specify the certificate(s) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

Shares at the disposal of the Board

3.12 Subject to the provisions of the Law, of the Memorandum of Association of the Company, and of these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) 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 and for such consideration, and generally upon such terms, as the Board shall in their absolute discretion determine.

Company may pay commissions

3.13 The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions

(whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Law shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the shares are issued.

Company not to recognise trusts in respect of shares

- 3.14 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 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 shares or any interest in any fractional part of a share or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

#### 4 Register of Members and Share Certificates

Share register  
App 3 ~~1(1)~~  
Para.20

- 4.1 The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit ~~a non-listed shares~~ the principal share register and any branch share register of members of the Company and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the Law.

- 4.2 For as long as the shares of the Company are listed on the Exchange, the Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit and in accordance with the Listing Rules and the Companies ~~Law~~Act a listed shares register. References to the register shall be to each of the listed shares register and the non-listed shares register.

- 4.3 Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies ~~Law~~Act.

App 13 Part  
Br.3(2)3  
Para.20

- 4.4 Except when a register is closed and, if applicable, subject to the additional provisions of Article ~~4.6~~4.5, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge. Any member who seeks to inspect the register when it is closed may request the Company to issue a certificate signed by the Secretary stating the period for which, and by whose authority, it is closed.

- 4.5 The reference to business hours in Article ~~4.5~~4.4 is subject to such reasonable restrictions as the Company in general meeting may impose, but so that not less than two hours in each business day is to be allowed for inspections.

- 4.6 The register may, on 14 days' notice being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, or otherwise on a notice given in accordance with the Listing Rules, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.
- 4.7 Any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by a member without charge and any other person on payment of such fee not exceeding HK\$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) as the Board may determine for each inspection. Any member may require a copy of the register, or any part thereof, on payment of HK\$0.25, or such lesser sum as the Company may prescribe, for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of 10 days commencing on the date next after the day on which the request is received by the Company.
- 4.8 Notwithstanding any other provision of these Articles, but without prejudice to the rights attached to any shares and subject to the Law, the Company or the Board may fix any date ("the record date") as the date at the close of business (or such other time as the Board may decide) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, interest, allotment, issue, notice, information, document or circular. A record date may be on or at any time before any date on which such item is paid, made, given or served or (in the case of any dividend, distribution, interest, allotment or issue) after any date on which such item is recommended, resolved, declared or announced.
- 4.9 Every person whose name is entered as a member in the register shall be entitled, for such fee not exceeding HK\$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules), to receive, within the relevant time limit as prescribed in the Law or as the Exchange may from time to time determine, whichever is shorter, after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his shares of each class 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 an Exchange board lot, upon payment, in the case of a transfer, of a sum equal to the relevant maximum amount as the Exchange may from time to time determine for every

App-13  
Part B  
r.3(2)

Share  
certificates  
App-3 r.1(1)

certificate after the first or such lesser sum as the Board shall from time to time determine, such numbers of certificates for shares in 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. All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register.

Share  
certificates to  
be sealed  
App 3 r.2(1)

4.10 Every certificate for shares or debentures or representing any other form of security of the Company must be issued under the seal of the Company, which may only be affixed with the authority of the Board.

Every  
certificate  
to specify  
number  
and class of  
shares

4.11 Every share certificate shall specify the number and class of shares in respect of which it is issued and the amount paid thereon or the fact that they are fully paid, as the case may be, and may otherwise be in such form as the Board may from time to time prescribe.

Joint holders  
App 3 r.1(3)

4.12 The Company shall not be bound to register more than four persons as joint holders of any share. 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.

Replacement  
of share  
certificates  
App 3 r.1(1)

4.13 If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding such amount as may from time to time be permitted under the Listing Rules or such lesser sum as the Board may from time to time require) and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

## 5 Lien

Company's lien  
App 3 r.1(2)

5.1 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 solely or jointly with others) 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 such person is a member of the Company or not.

Lien extends to dividends and bonuses

5.2 The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may resolve that any share shall for some specified period be exempt wholly or partially from the provisions of this Article.

Sale of shares subject to lien

5.3 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 14 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, of which the Company has notice, entitled to the shares by reason of such holder's death, mental disorder or bankruptcy.

Application of proceeds of such sale

5.4 The net proceeds of such sale by the Company 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 and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the holder immediately before such sale of the share. For giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

## 6 Calls on Shares

Calls, how made

6.1 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 amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. A call may be revoked or postponed as the Board may determine.

Copy of notice to be sent

6.2 At least 14 days' notice of any call shall be given to each member specifying the time and place of payment and to whom such payment shall be made.

6.3 A copy of the notice referred to in Article 6.2 shall be sent in the manner in which notices may be sent to members by the Company as herein provided.

Every member liable to pay call at appointed time and place

6.4 Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

Notice of call may be published in newspapers or given by electronic means

6.5 In addition to the giving of notice in accordance with Article 6.3, 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 effected by notice published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.

When call deemed to have been made

6.6 A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed.

Liability of joint holders

6.7 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.

Board may extend time fixed for call

6.8 The Board may from time to time at its discretion extend the time fixed for any call, and may extend such time as to all or any of the members, whom by reason of residence outside Hong Kong or other cause the Board considers it reasonable to grant an extension to, but no member shall be entitled to any such extension as a matter of grace and favour.

Interest on calls

6.9 If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

Suspension of privileges while call in arrears

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

Evidence in action for call

6.11 At 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 Directors who made such call, nor any other matters whatsoever, and the proof of the matters aforesaid shall be conclusive evidence of the debt.

Sums payable  
on allotment/  
in future  
deemed a call

6.12 Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium or otherwise, shall for all purposes of these Articles be deemed to be a call duly made 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, liabilities of joint holders, forfeiture and the like, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Payment  
of calls in  
advance  
App 3 r.3(1)

6.13 The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. No such sum paid in advance of calls shall entitle the member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

## 7 Transfer of Shares

Form of  
transfer

7.1 Any member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution

7.2 The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board of Directors may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to the last preceding Article, the Board of Directors may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. 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 of Directors from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

Board may  
refuse to  
register a  
transfer  
App-31(2)

App-31(1)

- 7.3 (1) Fully paid Shares shall be free from any restriction with respect to the right of the holder thereof to transfer such Shares (except when permitted by the ~~HK~~ ~~Støek~~ Exchange) and shall also be free from all liens. The Board of Directors may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board of Directors in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board of Directors otherwise determines.
- (4) Unless the Board of Directors otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board of Directors in its absolute discretion may from time to time determine, and which agreement the Board of Directors shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place at which the Register is kept in accordance with the Companies ~~Law~~ Act.

7.4 The Board may also decline to register any transfer of any shares unless:

Requirements  
as to transfer

- (a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration of the transfer be cancelled) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;



- (b) the instrument of transfer is in respect of only one class of shares;
- (c) the instrument of transfer is properly stamped (in circumstances where stamping is required);
- (d) a fee of such maximum as the Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) is paid to the Company in respect thereof.

Requirements  
as to transfer  
App 3r.1(1)

Notice of  
refusal

- 7.5 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.

Certificate to  
be given up on  
transfer

- 7.6 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, for such fee not exceeding HK\$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules), 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 instrument(s) of transfer.

When transfer  
books and  
register may  
close  
App 13 Part B  
r.3(2)

- 7.7 The registration of transfers may, on 14 days' notice being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times 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 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

## 8 Transmission of Shares

Death of  
registered  
holder or of  
joint holder of  
shares

- 8.1 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 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.

Registration of personal representatives and trustee in bankruptcy

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

Notice of election to be registered/  
Registration of nominee

8.3 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 in favour of his nominee a transfer of such share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

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

8.4 A person becoming entitled to a share by reason of the death or 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 14.3 being met, such a person may vote at meetings.

## 9 Forfeiture of Shares

If call or instalment not paid notice may be given

9.1 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 during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 6.10, 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.

Form of notice

9.2 The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is unpaid will be liable to be forfeited. The Board may accept a surrender of any share liable to be forfeited hereunder and in such case, references in these Articles to forfeiture shall include surrender.

If notice not complied with shares may be forfeited

9.3 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share, and not actually paid before the forfeiture.

Forfeited  
shares to  
be deemed  
property of  
Company

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

Arrears  
to be paid  
notwithstanding  
forfeiture

9.5 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 20% 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 forfeited, at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that 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.

Evidence of  
forfeiture

9.6 A statutory declaration in writing that the declarant is a Director or Secretary, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any re-allotment, sale or disposition thereof and the Board may authorize any person to execute a letter of re-allotment or transfer the share in favour of the person to whom the share is re-allotted, 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 subscription or 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, re-allotment, sale or other disposal of the share.

Notice after  
forfeiture

9.7 When any share shall have been forfeited, notice of the forfeiture 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. Notwithstanding the above, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.

Power to  
redeem  
forfeited  
shares

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

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

Forfeiture for non payment of any sum due on shares

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

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

## 10 Alteration of Capital

10.1 The Company may from time to time by ordinary resolution:

(a) increase its share capital;

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

(b) consolidate and 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 and division into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

App-3  
10(1)  
10(2)

(c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors 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, much include the words "restricted voting" or "limited voting;

- (d) 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 subject to the provisions of the Companies Law Act;
- (e) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the Law, 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
- (f) convert all or any of its paid up shares into stock and reconvert that stock its paid up shares of any denomination.

Reduction of  
capital

10.2 The Company may by special resolution reduce its share capital or any capital redemption reserve or any other undistributed reserve in any manner authorized and subject to any conditions prescribed by the Law. The Company may apply its share premium account in any manner permitted by Law.

## 11 Borrowing Powers

Power to  
borrow

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

Conditions  
on which  
money may be  
borrowed

11.2 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 but subject to the provisions of the Companies Law Act, 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 obligations of the Company or of any third party.

Assignment

11.3 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.

Special  
privileges

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

Register of charges to be kept

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

Register of debentures or debenture stock

11.6 If the Company issues debentures or debenture stock (whether as part of a series or as individual instruments) not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.

Mortgage of uncalled capital

11.7 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.

## 12 General Meetings

When annual general meeting to be held  
App 13 Part B, 3(3) Para. 14(1) & 4(2)

12.1 The Company shall ~~in~~for each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; ~~and not more than 15 months shall elapse (or such longer period as the Exchange may authorize) between the date of one. The annual general meeting of the Company and that of the next. So long as the first annual general meeting of the Company is held within 18 months of its incorporation, it need not be held in the year of its incorporation or in the following years. The annual general meeting shall be held~~ shall be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the rules of the Exchange, if any) at such time and place as the Board shall appoint.

Extraordinary general meeting

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

Convening of extraordinary general meeting  
App 3 Para. 14(5)

12.3 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on-, and for the transaction of any business or resolution specified in, the written requisition of any ~~two~~one or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company on a one vote per share basis, and such members may add resolutions to the agenda of the general meetings so convened. General meetings may also be convened on-, and for the transaction of any business or resolution specified in, the written requisition of any one member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have

such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing ~~more than one-half of the total voting rights of all of them~~ not less than one-tenth of the paid up capital of the Company, may convene the general meeting in the same manner, ~~as nearly as possible,~~ as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

Notice of  
meetings  
App 13-Part B  
r.3(13) Para.  
14(2)

- 12.4 An annual general meeting and any extraordinary general meeting called for the passing of a special resolution shall be called by not less than 21 days' notice in writing and any other extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be ~~inclusive~~ 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 time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in Article 13.1) the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
- 12.5 Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in Article 12.4, it shall be deemed to have been duly called if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the members of the Company entitled to attend and vote thereat or their proxies; and
  - (b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.

12.6 There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.

Omission to  
give notice

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

Omission  
to send  
instrument of  
prox

12.8 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.

### 13 Proceedings at General Meetings

Special  
business

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

- (a) the declaration and sanctioning of dividends;
- (b) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
- (c) the election of Directors whether by rotation or in place of those retiring;
- (d) the appointment of Auditors;
- (e) the fixing of, or the determining of the method of fixing of, the remuneration of the Directors and of the Auditors;
- (f) the granting of any mandate or authority to the Directors to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to Article 13.1(g); and
- (g) the granting of any mandate or authority to the Directors to repurchase securities of the Company.



Speaking at general meeting App 3 Para. 14(3)

13.1A Subject to Article 14.6 and any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, all members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Quorum

13.2 For all purposes the quorum for a general meeting shall be two members present in person (or in the case of a corporation, by its duly authorized representative) or by proxy provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.

When if quorum not present meeting to be dissolved and when to be adjourned

13.3 If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorized representative) or by proxy shall be a quorum and may transact the business for which the meeting was called.

Chairman of general meeting

13.4 The Chairman shall take the chair at every general meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present (whether in person or represented by proxy or duly authorized representative) shall choose one of their own number to be Chairman.

Power to adjourn general meeting/ business of adjourned meeting

13.5 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 14 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 an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Must vote by  
poll

13.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person or in the case of a member being a corporation by its duly authorized representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person or in the case of a member being a corporation by its duly authorized 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 shares conferring that right; or
- (e) if required by the Listing Rules, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. or more of the total voting rights at such meeting.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorized representative shall be deemed to be the same as a demand by a member.

13.7 Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.

Poll

13.8 If a poll is duly demanded it shall be taken in such manner as the chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing Rules.

13.9 Any poll on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting and without adjournment. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting

papers or tickets) and either forthwith or at such time (being not later than thirty days after the date of the demand) and place as the chairman of the meeting directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.

In what case  
poll taken  
without  
adjournment

13.10 The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

Chairman to  
have casting  
vote

13.11 All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Companies Law Act. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

Written  
resolutions

13.12 A resolution in writing (in one or more counterparts), including a special resolution, signed by all members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly appointed representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last member to sign.

## 14 Votes of Members

Votes of  
members

14.1 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 present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a share in advance of calls or installments is treated for the foregoing purposes as paid on the share) for each share registered in his name in the register. Notwithstanding anything contained in the Articles of Association, where more than one proxy is appointed by a shareholder which is a clearing house (or its nominees), each such proxy shall have one vote on a show of hands. On a poll, a member or a proxy entitled to more than one vote need not use all his votes or cast all his votes in the same way.

Counting of  
votes  
App 3  
#14Para. 14(4)

14.2 Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member whether by proxy or, as the case may be corporate representative in contravention of such requirement ~~whether~~ or restriction shall not be counted.

Votes in respect of deceased and bankrupt members

14.3 Any person entitled under Article 8.2 to be registered as a member 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 proposed 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 joint holders

14.4 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 being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. 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.

Votes of member of unsound mind

14.5 A member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorized in such circumstances to do so, and such person may vote by proxy.

Qualification for voting

14.6 Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums 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), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

Objections to voting

14.7 No objection shall be raised as to the qualification of any person exercising or purporting to exercise any vote or to the admissibility of any vote except at the meeting or adjourned meeting at which the person exercising or purporting to exercise his vote or the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. In the case of any dispute as to the admission or rejection of any vote, the Chairman of the meeting shall determine the same and such determination shall be final and conclusive.

Proxies  
App 13 Part B  
r.2(2)3 Para. 18

14.8 Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally or by proxy. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member. In addition, a proxy or proxies representing either a member who is an individual 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 and the right to speak.

Instrument  
appointing  
proxy to be in  
writing  
App 3  
~~¶11(2)~~Para.18

14.9 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorized in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorized to sign the same.

Delivery of  
authority for  
appointment  
of proxy

14.10 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any 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.

Form of proxy  
App 3 ¶.11(1)

14.11 Every instrument of proxy, whether for a specified meeting or otherwise, shall be in common form or such other form that complies with the Listing Rules as the Board may from time to time approve, provided that it shall enable a member, according to his intention, to instruct his proxy to vote in favour of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates.

Authority  
under  
instrument  
appointing  
proxy

14.12 The instrument appointing a proxy to vote at a general meeting shall: (a) be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit; and (b) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.

When vote  
by proxy/  
representative  
valid though  
authority  
revoked

14.13 A vote given in accordance with the terms of an instrument of proxy or resolution of a member 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 or resolution of a member was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation 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 14.10, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

Corporations/  
clearing houses  
acting by  
representatives  
at meetings  
App. 13 Part B  
r.2(2)

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

App ~~13 Part B~~  
~~r.63~~ Para.  
19

14.15 Notwithstanding any other provision of these articles, where that shareholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong) or its nominee(s), it may authorize such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any shareholders' meetings or any meetings of any class of shareholders provided that, if more than one person is so authorized, the authorization or proxy form must specify the number and class of shares in respect of which each such representative is so authorized. Each person so authorized will be deemed to have been duly authorized without the need of producing any documents of title, notarised authorization and/or further evidence for substantiating the facts that it is duly authorized and will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise if it were an individual shareholder of the Company, including the right to vote and the right to speak.

## 15 Registered Office

Registered  
office

15.1 The registered office of the Company shall be at such place in the Cayman Islands as the Board shall from time to time appoint.

## 16 Board of Directors

Constitution

16.1 The number of Directors shall not be less than one.

Board may  
fill vacancies/  
appoint  
additional  
Directors  
App 3  
~~r.4(2)~~Para.4(2)

16.2 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~~ first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

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

16.3 The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than one. Subject to the provisions of these Articles and the Law, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. 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.

Notice to  
be given  
when person  
proposed for  
election  
~~App 3~~r.4(4)~~r.4(5)~~

16.4 No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless during the period, which shall be at least seven days, 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, there has been given to the Secretary notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

Register of  
Directors and  
notification  
of changes to  
Registrar

16.5 The Company shall keep at its office a register of directors and officers containing their names and addresses and occupations and any other particulars required by the Law and shall send to the Registrar of Companies of the Cayman Islands a copy of such register and shall from time to time notify to the Registrar of Companies of the Cayman Islands any change that takes place in relation to such Directors as required by the Law.

Power to  
remove  
Director by  
ordinary  
resolution  
App 13Part-B  
r.5(4)  
App 3  
~~r.4(3)~~Para.4(3)

16.6 The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

- 16.7 A Director may at any time by notice in writing delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director in his place during his absence and may in like manner at any time determine such appointment. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved, provided that the Board may not withhold approval of any such appointment where the proposed appointee is a Director.
- 16.8 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.
- 16.9 An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum 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 Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate shall in the absence of actual notice to the contrary to other Directors be conclusive), 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 provisions of this Article shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- 16.10 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.
- 16.11 In addition to the provisions of Articles 16.7 to 16.10, a Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him, in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 14.8 to 14.13 shall apply mutatis mutandis to the appointment



of proxies by Directors save that an instrument appointing a proxy shall not become invalid after the expiration of twelve months from its date of execution but shall remain valid for such period as the instrument shall provide or, if no such provision is made in the instrument, until revoked in writing and save also that a Director may appoint any number of proxies although only one such proxy may attend in his stead at meetings of the Board (or of any committee of the Board).

Qualification  
of Directors

16.12 A Director need not hold any qualification shares. 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.

Directors'  
remuneration

16.13 The Directors shall be entitled to receive by way of ordinary 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 they 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.

App-13  
Part-B  
r.5(4)

16.14 Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

Directors'  
expenses

16.15 The Directors shall be entitled to be paid all travelling, hotel and other expenses, reasonably incurred by them 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.

Special  
remuneration

16.16 The Board may grant special remuneration to any Director, who 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 agreed.

Remuneration  
of Managing  
Directors, etc.

16.17 The remuneration of the managing director, joint managing director, deputy managing director or an executive director or a Director appointed to any other office in the management of the Company may be fixed 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

share option and/or 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 such ordinary remuneration as the recipient may be entitled to receive as a Director.

When office  
of Director  
to be vacated  
App 13 Part B  
e.5(1)

16.18 The office of a Director shall be vacated:

- (a) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;
- (b) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
- (c) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;
- (d) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (e) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;
- (f) if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or
- (g) if he shall be removed from office by an ordinary resolution of the members of the Company under Article 16.6.

Retirement by  
rotation

16.19 At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year will 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. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director

shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Directors  
may contract  
with Company  
App 13 Part B  
r.5(3)

- 16.20 Subject to the Companies Law Act and these Articles no Director or proposed 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 any member or so interested be liable to account to the Company for any profit so realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company.
- 16.21 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 between the Company and the Director) no such Director shall be liable to account to the Company or the members 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 Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, 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 manner aforesaid notwithstanding that he may be, or is 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 the manner aforesaid.
- 16.22 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 profit or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

Director  
may not vote  
where he has  
a material  
interest  
App 3 r.4(1)

16.23 (a) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his Close Associates has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

Director may  
vote in respect  
of certain  
matters  
App 3  
Note 1LR13.44

- (i) the giving of any security or indemnity either:
  - (a) to the Director or his Close Associate(s) in respect of money lent by him or any of them or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
  - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his Close Associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of the shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his Close Associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his Close Associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his Close Associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his Close Associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or our subsidiaries including:–
  - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his Close Associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates both to Director, his Close Associate(s) and employees of the Company or of any of our subsidiaries and does not provide in respect of any Director, or his Close Associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contractor arrangement in which the Director or his Close Associate(s) is/are interested in the same manner as other holders of shares or debenture or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

Director may vote on proposals not concerning own appointment

16.24 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of or terminating the appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals shall be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not prohibited from voting under Article ~~16.22(x)~~16.23(a) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

Who to decide whether a Director may vote

16.25 If any question shall arise at any meeting of the Board as to the materiality of a Director's interest or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a 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 (or, where question relates to the interest of the Chairman, to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to any other Director (or, as appropriate, the Chairman) shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned (or, as appropriate, the Chairman) as known to such Director (or, as appropriate, the Chairman) has not been fairly disclosed to the Board.

## 17 Managing Directors

Power to appoint Managing Directors, etc.

17.1 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 employment or executive 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 16.17.

Removal of  
Managing  
Director, etc.

17.2 Every Director appointed to an office under Article 17.1 hereof shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, be liable to be dismissed or removed therefrom by the Board.

Cessation of  
appointment

17.3 A Director appointed to an office under Article 17.1 shall be subject to the same provisions as to removal as the other Directors, and he shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Powers may  
be delegated

17.4 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. But 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.

## 18 Management

General  
powers of  
Company  
vested in  
Board

18.1 Subject to any exercise by the Board of the powers conferred by Articles 19.1 to 19.3, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Law expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Law and of these Articles and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

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

- (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and

- (b) to give to any Directors, officers or employees 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.

App-13  
Part B  
r.5 (2)

18.3 Except as would, if the Company were a company incorporated in Hong Kong, be permitted by ~~Section 55 of the Companies Ordinance~~ as in force at the date of adoption of these Articles, and except as permitted under the Companies Law Act, the Company shall not directly or indirectly:

- (a) make a loan to a Director or his Close Associates or a director of any holding company of the Company or a body corporate controlled by such a director or Director;
- (b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director or a body corporate controlled by such a director or Director; or
- (c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

provided that the Company may grant any loan or provide any guarantee, indemnity or security (i) to be applied for, or in respect of a liability incurred for any business of the Company, (ii) for the purchase by a Director (or the repayment of a loan for his purchase) of a residence where the amount of the loan, the liability under the guarantee or indemnity or the value of the security does not exceed 80% of the fair market value of such residence nor 5% of the consolidated net asset value of the Company as shown in our latest audited accounts; provided that any such loan is on normal commercial terms and is secured by a legal charge over the residence; or, (iii) of any amount to, or in respect of a liability of, a company in which the Company has an equity interest, and the amount of such loan, or the liability assumed by the Company under such guarantee, indemnity or security, does not exceed its proportional interest in such company.

## 19 Managers

Appointment  
and  
remuneration  
of managers

19.1 The Board may from time to time appoint a general manager, manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them in connection with the conduct of the business of the Company.

Tenure of office and powers

19.2 The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board as it may think fit.

Terms and conditions of appointment

19.3 The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in its absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

## 20 Proceedings of Directors

Meetings of Directors/  
Quorum etc.

20.1 The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purposes of this Article an alternate Director shall be counted in a quorum in place of the Director who appointed him and an alternate Director who is an alternate for more than one Director shall for quorum purposes be counted separately in respect of himself (if he is a Director) and in respect of each Director for whom he is an alternate (but so that nothing in this provision shall be construed as authorizing a meeting to be constituted when only one person is physically present). A meeting of the Board or any committee of the Board may be held by means of a telephone, tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Convening of board meeting

20.2 A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Failing any determination by the Board, not less than 48 hours notice thereof shall be given to each Director either in writing or by telephone or by facsimile, telex or telegram at the address or telephone, facsimile or telex number 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.

How questions to be decided

20.3 Subject to Articles 16.4920 to 16.2425, 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.

Chairman

20.4 The Board may elect a Chairman of its meetings and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.



Power of meeting

20.5 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.

Power to appoint committee and to delegate

20.6 The Board may delegate any of its powers to committees consisting of such member or members of the Board (including alternate Directors in the absence of their appointers) and such other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any 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.

Acts of committee to be of same effect as act of Directors

20.7 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 such committee, and charge such remuneration to the current expenses of the Company.

Proceedings of committee

20.8 The meetings and proceedings of any such committee consisting of two or more members of the Board 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 20.6.

Minutes of proceedings of meetings and Directors

20.9 The Board shall cause minutes to be made of:

- (a) all appointments of officers made by the Board;
- (b) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 20.6;
- (c) all declarations made or notices given by any Director of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
- (d) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

20.10 Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the chairman of the meeting or by the chairman of the succeeding meeting.

When acts of Directors or committee to be valid notwithstanding defects

20.11 All acts bona fide done by any meeting of the Board or by a committee of Directors or by any person acting as 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 as the case may be.

Directors' powers when vacancies exist

20.12 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' resolutions

20.13 Unless required otherwise by the Listing Rules, a resolution in writing signed by each and every one of the Directors (or their respective alternates pursuant to Article 16.9) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

## 21 Secretary

Appointment of Secretary

21.1 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 Law or these Articles required or authorized 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 appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorized generally or specifically in that behalf by the Board.

Same person not to act in two capacities at once

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

## 22 General Management and Use of the Seal

Custody and use of seal

22.1 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 authorized by the Board in that behalf, and every instrument to which such 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. The securities seal which shall be a facsimile of the common seal with the word "Securities" engraved thereon shall be used exclusively for sealing securities issued by the Company and for sealing documents creating or evidencing securities so

issued. The Board may either generally or in any particular case resolve that the securities seal or any signatures or any of them may be affixed to certificates for shares, warrants, debentures or any other form of security by facsimile or other mechanical means specified in such authority or that any such certificates sealed with the securities seal need not be signed by any person. Every instrument to which the seal is affixed as aforesaid shall, as regards all persons dealing in good faith with the Company, be deemed to have been affixed to that instrument with the authority of the Directors previously given.

Duplicate seal

22.2 The Company may have a duplicate seal for use outside of the Cayman Islands as and where 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 agents of the Company for the purpose of affixing and using such duplicate seal and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal as aforesaid.

Cheques and banking arrangements

22.3 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, indorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

Power to appoint attorney

22.4 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 authorize any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.

Execution of deeds by attorney

22.5 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 in any part of the world and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company.

Regional or local boards

22.6 The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Cayman Islands, Hong Kong, the People's Republic of China or elsewhere, and may appoint any persons to

be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorize 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.

Power to establish pension funds and employee share option schemes

22.7 The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or provident or superannuation funds or (with the sanction of an ordinary resolution) employee or executive share option schemes 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 spouses, wives, widows, widowers, families and dependents of any such persons and may make payments for or towards the payment of 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, 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.

## 23 Capitalisation of Reserves

Power to capitalise

23.1 The Company in general meeting may upon the recommendation of the Board by ordinary resolution resolve that it is desirable to capitalise all or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or funds or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion 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, debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in proportion aforesaid or partly in one way and partly in the other, and the Board shall give effect to such resolution, provided that a share premium account and a capital redemption reserve and any reserve or fund representing unrealised profits may, for the purposes of this Article, only be applied in paying up unissued shares to be issued to members of the Company as fully paid up shares or paying up calls or instalments due or payable on partly paid securities of the Company subject always to the provisions of the Law.

Effect of  
resolution to  
capitalise

23.2 Wherever such a resolution as referred to in Article 23.1 shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:

- (a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (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) as they think fit in cases where shares, debentures or other securities become distributable in fractions;
- (b) to exclude the right of participation or entitlement of any member with a registered address outside any territory where in the absence of a registration statement or other special or onerous formalities the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider the costs, expense or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefits of the Company; and
- (c) to authorize any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

23.3 The Board may, in relation to any capitalisation sanctioned under Article 23.2 in its absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such capitalisation, the unissued shares, debentures or other securities to which that member is entitled shall be allotted and distributed credited as fully paid up to such person or persons as that member may nominate by notice in writing to the Company, such notice to be received not later than the day for which the general meeting of the Company to sanction the capitalisation is convened.

## 24 Dividends and Reserves

Power to  
declare  
dividends

24.1 Subject to the Law and these Articles, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

24.2 The dividends, interest and bonuses and any other benefits and advantages in the nature of income receivable in respect of the Company's investments, and any commissions, trusteeship, agency, transfer and other fees and current receipts of the Company shall, subject to the payment thereof of the expenses of management, interest upon borrowed money and other expenses which in the opinion of the Board are of a revenue nature, constitute the profits of the Company available for distribution.

Board's  
power to  
pay interim  
dividends

24.3 The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits 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 preferential rights.

24.4 The Board may also pay half-yearly or at other intervals to be selected by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits available for distribution justify the payment.

Powers of  
Directors to  
declare and  
pay special  
dividends

24.5 The Board may in addition from time to time declare and pay special dividends on shares of any class of such amounts and on such dates as they think fit, and the provisions of Article 24.3 as regards the powers and the exemption from liability of the Board as relate to declaration and payment of interim dividends shall apply, mutatis mutandis, to the declaration and payment of any such special dividends.

Dividends  
not to be paid  
out of capital

24.6 No dividend shall be declared or payable except out of the profits and reserves of the Company lawfully available for distribution including share premium. No dividend shall carry interest against the Company.

Scrip  
dividends

24.7 Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:

EITHER

As to cash  
election

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members 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 members 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;
- (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 satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the 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 (if there be any such reserve)) or profit or loss account or amounts otherwise available for distribution 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

As to scrip  
election

(b) that members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. 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 members 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;
- (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 satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the 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 (if there be any such reserve)) or profit or loss account or amounts otherwise available for distribution 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;

24.8 The shares allotted pursuant to the provisions of Article 24.7 shall be of the same class as the class of, and shall rank pari passu in all respects with the shares then held by the respective allottees save only as regards participation:

- (a) in the relevant dividend (or share or cash election in lieu thereof as aforesaid);  
or
- (b) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend, unless contemporaneously with the announcement by the Board of its proposal to apply the provisions of Article 24.7(a) or 24.7(b) in relation to the



relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of Article 24.7 shall rank for participation in such distributions, bonuses or rights.

- 24.9 The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of Article 24.8 with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorize 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.
- 24.10 The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of Article 24.7 a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.
- 24.11 The Board may on any occasion determine that rights of election and the allotment of shares under Article 24.7 shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefit of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.
- 24.12 The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies Law Act. The Company shall at all times comply with the provisions of the Companies Law Act in relation to the share premium account.
- 24.13 The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for meeting claims on or liabilities of the Company or contingencies or for paying off any loan capital or for equalising dividends or for any other purpose to which the profits of the Company may be

properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (including shares, warrants and other securities of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any 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.

Dividends to be paid in proportion to paid up capital

24.14 Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purpose of this Article no amount paid up on a share in advance of calls shall be treated as paid up on the share.

Retention of dividends, etc.

24.15 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.

24.16 The Board may retain any dividends or other monies payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained, entitled to become a member, or in respect of which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

Deduction of debts

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

Dividend and call together

24.18 Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting resolves, but so that the call on each member shall not exceed the dividend payable to him, and so that the call 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 in specie

24.19 The Board, with the sanction of the members in general meeting, may direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of 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 disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, 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 required, a contract shall be filed in accordance with the provisions of the Law 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.

Effect of  
transfer

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

24.21 Any resolution declaring or resolving upon the payment of a dividend or other distribution 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 made 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 or other distribution shall be payable or made 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.

Receipt for  
dividends by  
joint holders  
of share

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

Payment by  
post

24.23 Unless otherwise directed by the Board, any dividend, interest or other sum payable in cash to a holder of shares 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 the person 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 holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares and shall be sent at his or their risk, and the payment of any such cheque or warrant by the bank on which it is drawn 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.

App-3 r.13(1)

24.24 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 its 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.

Unclaimed  
dividend  
App-3 r.3(2)

24.25 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 exclusive benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof or be required to account for any money earned thereon. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses.

## 25 Untraceable Members

Sale of  
shares of  
untraceable  
members

25.1 The Company shall be entitled to sell any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that:

- (a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
- (b) the Company has not during that time or before the expiry of the three month period referred to in Article 25.1(d) below received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law;
- (c) during the 12-year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and
- (d) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, giving notice of its intention to sell such shares, and a period of three months has elapsed since such advertisement and the Exchange has been notified of such intention.

App-3  
r.13(2)(a)

App-3  
r.13(2)(b)

The net proceeds of any such sale shall 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.

25.2 To give effect to any sale contemplated by Article 25.1 the Company may appoint any person to execute as transferor an instrument of transfer of the said shares and such other documents as are necessary to effect the transfer, and such documents shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto. The net proceeds of sale shall belong to the Company which shall be obliged to account to

the former member or other person previously entitled as aforesaid for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt, no interest shall be payable in respect of the same and the Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments (other than shares or other securities in or of the Company or its holding company if any) or as the Board may from time to time think fit.

## 26 Document Destruction

Destruction  
of registrable  
documents,  
etc.

26.1 The Company shall be entitled to destroy all instruments of transfer, probate, letters of administration, stop notices, powers of attorney, certificates of marriage or death and other documents relating to or affecting title to securities in or of the Company (“**Registrable Documents**”) which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the register if purporting to have been made on the basis of an instrument of transfer or Registrable Document so destroyed was duly and properly made and every instrument of transfer or Registrable Document so destroyed was a valid and effective instrument or document duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, provided always that:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without express notice of the Company of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Article; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorize the destruction of any documents referred to in this Article or any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar

on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document might be relevant to a claim.

## 27 Annual Returns and Filings

Annual returns and filings

The Board shall make the requisite annual returns and any other requisite filings in accordance with the Law.

## 28 Accounts

Accounts to be kept  
App 13 Part B  
r.4(1)

28.1 The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Law. The Board shall cause all such books of account to be retained for a minimum period of five years from the date of which they are prepared.

Where accounts are to be kept

28.2 The books of account shall be kept at the Company's principal place of business in Hong Kong or, subject to the provisions of the Law, at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

Inspection by members

28.3 The Board shall from time to time determine whether, 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 (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Law or any other relevant law or regulation or as authorized by the Board or by the Company in general meeting.

Annual profit and loss account and balance sheet  
App 13 Part B  
r.4(2)

28.4 The Board shall, commencing with the first annual general meeting cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an Auditors' report on such accounts prepared pursuant to Article 29.1 and such other reports and accounts as may be required by law.

Annual report of Directors and balance sheet to be sent to members etc.  
App 13 Part B  
r.3(3) App 3 r.5

28.5 Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent in the manner in which notices may be served by the Company as provided herein to every member of the Company and every holder of debentures of the

Company, provided that the Company shall not be required to send copies of those documents 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.

28.6 To the extent permitted by and subject to due compliance with these Articles, the Law and all applicable rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 28.5 shall be deemed satisfied in relation to any member or any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the Law, a summary financial statement derived from the Company's annual accounts, together with the Directors' report and the Auditors' report on such accounts, which shall be in the form and containing the information required by these Articles, the Law and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the Director's report and the Auditor's report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company sends to him, in addition to the summary financial statement, a complete printed copy of the Company's annual accounts, together with the Directors' report and the Auditor's report thereon.

## 29 Audit

Auditors  
App.13 Part B  
r.4(2)

29.1 The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be laid before the Company at its annual general meeting in each year and shall be open to inspection by any member. The Auditors shall at the next annual general meeting following their appointment and at any other time during their term of office, upon request of the Board or any general meeting of the members, make a report on the accounts of the Company in general meeting during their tenure of office.

Appointment  
and  
remuneration  
of Auditors  
App.3  
Para.17

29.2 The Company ~~shall~~may at any ~~annual~~ general meeting ~~-,~~ by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The remuneration of the Auditors shall be fixed by the Company by ordinary resolution at the ~~annual~~ general meeting or in such manner as the members may by ordinary resolution determine at which they are appointed ~~provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. The Company may remove the Auditors by ordinary resolution at any general meeting any time before the expiration of the term of office and shall, by ordinary resolution, at that meeting appoint new auditors in its place for the remainder of the term.~~ No person may be appointed as the, or an, Auditor, unless he is independent of the Company. ~~The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless~~

~~previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The~~In the event of an appointment by the Board to fill any casual vacancy in the office of Auditor, the remuneration of any Auditor so appointed by the Board under this Article may be fixed by the Board. Any Auditor appointed to fill any casual vacancy shall hold office until the next annual general meeting and shall then be subject to appointment and determination of remuneration by the Company by ordinary resolution.

When  
accounts to  
be deemed  
settled

29.3 Every statement of accounts audited by the Auditors and presented by the Board at an annual general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive.

### 30 Subscription Rights Reserve

30.1 The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Companies ~~Law~~Act:

- (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:
  - (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the “**Subscription Rights 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 (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;
  - (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;



- (c) upon the exercise of 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:
- (i) 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
  - (ii) 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 Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holders; and
- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights 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 of Directors shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) 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 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 of Directors may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (2) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Article as to the establishment and maintenance of the Subscription Rights 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.
- (4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights 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 Rights 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 Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

### 31 Notices

- 31.1 Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

31.2 Notice of every general meeting shall be given in any manner hereinbefore authorized to:

- (a) every person shown as a member in the register of members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the register of members;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a member of record where the member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;
- (c) the Auditors;
- (d) each Director and alternate Director;
- (e) the Exchange; and
- (f) such other person to whom such notice is required to be given in accordance with the Listing Rules.

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

Members out  
of Hong Kong  
App. 3r.7(2)

31.4 A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and 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 transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

App. 3  
r.7(3)

When notice  
deemed to be  
served

31.5 Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof.

- 31.6 Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.
- 31.7 Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).
- 31.8 Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.
- 31.9 A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter addressed to him or them by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, within Hong Kong supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- 31.10 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.
- 31.11 Any notice or document delivered or sent to any member in pursuance of these Articles, shall notwithstanding that such member be then deceased and whether or not the Company has notice of his death 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 Articles 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.
- 31.12 The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.

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

Transferee bound by prior notices

Notice valid though member deceased

How notice to be signed

### 32 Information

member not  
entitled to  
information

32.1 No member shall be entitled to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the members or the Company to communicate to the public.

Directors  
entitled to  
disclose  
information

32.2 The Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its members including, without limitation, information contained in the register of members and transfer books of the Company.

### 33 Winding Up

Power to  
distribute  
assets in  
specie  
following  
liquidation  
App 3 Para.21

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

Distribution  
of assets in  
liquidation

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

Service of  
process

33.3 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 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, 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 as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.

Indemnities  
of Directors  
and officers

### 34 Indemnities

34.1 Every Director, Auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all actions, costs, charges, losses, damages and expenses incurred or sustained by him as a Director, Auditor or other officer of the Company by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

34.2 Subject to the Companies Law Act, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

### 35 Financial Year

Financial year

The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it.

### 36 Amendment of Memorandum and Articles

Amendment  
of  
Memorandum  
and Articles  
App 13 Part B  
r.13 Para. 16

Subject to the Law, the Company may at any time and from time to time by special resolution alter or amend its Memorandum of Association and Articles of Association in whole or in part.

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## NOTICE OF AGM

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### Tsaker Chemical Group Limited

彩客化學集團有限公司\*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1986)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Tsaker Chemical Group Limited (“**Company**”) will be held at Building No. 10, 109 Jinghaisanlu, Beijing Economic-Technological Development Area, the PRC at 10:00 a.m. on Tuesday, 10 May 2022 for the following purposes:

1. to receive and approve the audited consolidated financial statements and the reports of the directors of the Company and the Company’s auditors for the year ended 31 December 2021;
2. to declare a final dividend of RMB0.068 per share of par value US\$0.01 each in the share capital of the Company for the year ended 31 December 2021;
3. to consider and approve, each as a separate resolution, if thought fit, the following resolutions:
  - (a) to re-elect Mr. Ge Yi as an executive director of the Company (the “**Director**”);
  - (b) to re-elect Mr. Ho Kenneth Kai Chung as an independent non-executive Director;
  - (c) to re-elect Mr. Yu Miao as an independent non-executive Director; and
  - (d) to authorize the board of Directors to fix the Directors’ remuneration;
4. to re-appoint the Company’s auditors and to authorize the board of Directors to fix their remuneration;
5. to consider and, if thought fit, pass, with or without modifications, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot,

\* *for identification purposes only*

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## NOTICE OF AGM

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issue or otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares in the Company, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution); or (ii) the exercise of any options granted under any share option scheme of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company shall not exceed 20 per cent. of the aggregate number of issued shares of the Company on the date of the passing of this resolution (subject to adjustment in case of subdivision and consolidation of shares), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;



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## NOTICE OF AGM

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“**Rights Issue**” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the Directors to holders of shares in the Company on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. to consider and, if thought fit, pass, with or without modifications, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) of this resolution) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Rules governing the Listing of Securities on the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) shall not exceed 10 per cent. of the aggregate number of issued shares of the Company as at the date of the passing of this resolution (subject to adjustment in the case of subdivision or consolidation of shares), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;

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## NOTICE OF AGM

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Act or any other applicable law of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
7. to consider and, if thought fit, pass, with or without modifications, the following resolution as an ordinary resolution:

“**THAT** conditional on the passing of resolutions numbered 5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 5 set out in the notice convening this meeting be and it is hereby extended by the addition to the aggregate number of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate number of shares repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 6 set out in the notice convening this meeting, provided that such extended number shall not exceed 10 per cent. of the aggregate number of shares of the Company in issue at the date of the passing of this resolution (such aggregate number to be subject to adjustment in the case of any conversion of all or any of the shares in the Company into larger or smaller number of shares after the passing of this resolution).”

8. to consider and, if thought fit, pass, with or without modifications, the following resolution as a special resolution:

“**THAT**, subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands, the English name of the Company be changed from “Tsaker Chemical Group Limited” to “Tsaker New Energy Tech Co., Limited” and the dual foreign name in Chinese of the Company be changed from “彩客化学集团有限公司” to “彩客新能源科技有限公司” (the “**Change of Company Name**”) with effect from the date on which the certificate of incorporation on change of name is issued by the Registrar of Companies in the Cayman Islands and that any one or more of the Directors be and are hereby authorized to do all such acts and things and execute all such documents as he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Change of Company Name and to attend to any necessary registration and/or filing for and on behalf of the Company.”

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## NOTICE OF AGM

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9. to consider and, if thought fit, pass, with or without modifications, the following resolution as a special resolution:

“**THAT** subject to the change of name of the Company under the resolution numbered 8 set out in the notice convening this meeting taking effect, the second amended and restated memorandum and articles of association of the Company (a copy of which has been produced to this meeting and marked “A” and annexed hereto and for the purpose of identification, initialed by the chairman of the annual general meeting), be and is hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing amended and restated memorandum and articles of association of the Company and that any Director, company secretary or the registered office provider of the Company be and are hereby authorized to do all such acts and things necessary to implement the said adoption of the second amended and restated memorandum and articles of association of the Company.”

By order of the board of directors of  
**Tsaker Chemical Group Limited**  
**Ge Yi**  
*Chairman*

Beijing, the PRC, 19 April 2022

*Registered office:*

P.O. Box 472  
2nd Floor, Harbour Place  
103 South Church Street, George Town  
Grand Cayman KY1-1106  
Cayman Islands

*Head office in the PRC:*

Building No. 10  
109 Jinghaisanlu  
Beijing Economic-Technological  
Development Area  
the People’s Republic of China

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## NOTICE OF AGM

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*Notes:*

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his/her/its proxy to attend and vote in his/her/its stead. A member who is the holder of two or more shares and entitled to attend and vote at the meeting convened by the above notice is entitled to appoint more than one proxy to represent him/her/it and vote on his/her/its behalf. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Hong Kong branch registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 48 hours before the time of the meeting (i.e., no later than 10:00 a.m. on 8 May 2022 (Hong Kong time)) or any adjourned meeting.
3. In relation to proposed resolutions numbered 5 and 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of shares under the Rules governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The Directors have no immediate plans to issue any new shares of the Company.
4. In relation to proposed resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules will be set out in a circular to be despatched to the shareholders on 19 April 2022.
5. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. The register of members of the Company will be closed for the following periods:
  - (a) For the purpose of determining shareholders who are eligible to attend and vote at the above meeting, the register of members of the Company will be closed from 4 May 2022 to 10 May 2022, both days inclusive, during which period no transfer of shares will be registered. In order for the shareholders to be eligible to attend and vote at the meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 3 May 2022 for registration.
  - (b) For the purpose of determining shareholders who qualify for the final dividend, the register of members of the Company will also be closed from 16 May 2022 to 18 May 2022, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 13 May 2022 for registration.
8. As at the date of this notice, the board of Directors comprises Mr. Ge Yi (Chairman), Mr. Bai Kun and Ms. Zhang Nan as executive Directors, Mr. Fontaine Alain Vincent as a non-executive Director, and Mr. Ho Kenneth Kai Chung, Mr. Zhu Lin and Mr. Yu Miao as independent non-executive Directors.