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If you have sold or transferred all your shares in Shenwan Hongyuan (H.K.) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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SHENWAN HONGYUAN (H.K.) LIMITED

申萬宏源(香港)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

PROPOSALS INVOLVING

- (1) RE-ELECTION OF RETIRING DIRECTORS,**
 - (2) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES,**
 - (3) ADOPTION OF NEW ARTICLES OF ASSOCIATION,**
 - (4) AUTHORISATION TO THE BOARD ON ACQUIRING AND DISPOSING OF AN ASSET AND MAKING AN INVESTMENT,**
 - (5) AUTHORISATION TO THE BOARD ON BORROWING AND PROVISION OF GUARANTEE AND ENTERING INTO A CONNECTED TRANSACTION,**
 - (6) AUTHORISATION TO THE BOARD ON ESTABLISHING, ACQUIRING AND INVESTING IN ANY OPERATING INSTITUTION,**
 - (7) AUTHORISATION TO THE BOARD ON ADOPTING AND APPROVING ANY OPERATING STRATEGY, DEVELOPMENT STRATEGY, INVESTMENT PLAN, ANNUAL FINANCIAL BUDGET OR FINAL ACCOUNTS OF THE COMPANY,**
 - (8) AUTHORISATION TO THE BOARD ON APPOINTING AND REMOVING FROM OFFICE ANY DIRECTOR,**
 - (9) AUTHORISATION TO THE BOARD ON DELEGATION OF POWERS OF THE BOARD UNDER ARTICLE 126 AND ARTICLE 127(C) OF THE NEW ARTICLES TO OTHERS;**
- AND**
- (10) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Shenwan Hongyuan (H.K.) Limited (the "Company") to be held at Empire Room I, 1/F, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Monday, 30 May 2022 at 9:30 a.m. is set out on pages 122 to 129 of this circular. Whether or not you are able to attend the annual general meeting, you are advised to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the office of the Company at Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong, as soon as possible but in any event not later than 9:30 am on Friday, 27 May 2022. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to page 1 of this circular for the precautionary measures to be implemented at the annual general meeting by the Company to protect the attendees from the risk of infection of the COVID-19 pandemic, including:

- compulsory body temperature check
- complying with the requirements of the "Vaccine Pass Direction" which is defined under the Prevention and Control of Disease (Vaccine Pass) Regulation (Cap. 599L of the Laws of Hong Kong)
- every attendee is required to wear surgical face mask
- no refreshment or drinks will be served

Any attendee who (i) refuses to comply with the precautionary measures; or (ii) is subject to the Hong Kong Government's quarantine requirements or has close contact with any person under quarantine; or (iii) is subject to the Hong Kong Government's prescribed testing requirement or direction and has not tested negative; or (iv) feels unwell or has any symptoms of COVID-19, will be denied entry into or be required to leave the annual general meeting venue at the absolute discretion of the Company as permitted by law.

Due to the legal restrictions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong), the Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the "Regulations") which have been implemented to deal with the risks of COVID-19 pandemic and which limit the number of people permitted for group gatherings in public places (including any meeting of shareholders), it is possible that our shareholders and/or their representatives may not be able to attend in person at the annual general meeting venue depending on prevailing Government Regulations. Shareholders are strongly encouraged to appoint the chairman of the meeting or any Director or the company secretary of the Company as their proxy and to return their forms of proxy by the time specified above, instead of attending the annual general meeting in person.

29 April 2022



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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To prevent and control the spread of the COVID-19 pandemic, the Company will implement the following precautionary measures at the annual general meeting to protect the attendees from the risk of infection, including:

- a. compulsory body temperature check will be conducted for every shareholder, proxy or other attendee at the entrance of the annual general meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time may be denied entry into the annual general meeting venue and be requested to leave the annual general meeting venue.
- b. every shareholder, proxy or other attendee is required to comply with the requirements of the “Vaccine Pass Direction”, which is defined under the Prevention and Control of Disease (Vaccine Pass) Regulation (Cap. 599L of the Laws of Hong Kong), prior to entry into the annual general meeting venue.
- c. every shareholder, proxy or other attendee is required to wear surgical mask before they are permitted to attend and during their attendance of the annual general meeting, and to maintain a safe distance between seats. Please note that no masks will be provided at the annual general meeting venue and attendees should bring and wear their own masks.
- d. no refreshment or drinks will be served at the annual general meeting.

Any attendee who (i) refuses to comply with the precautionary measures; or (ii) is subject to the Hong Kong Government’s quarantine requirements or has close contact with any person under quarantine; or (iii) is subject to the Hong Kong Government’s prescribed testing requirement or direction and has not tested negative; or (iv) feels unwell or has any symptoms of COVID-19, will be denied entry into or be required to leave the annual general meeting venue at the absolute discretion of the Company as permitted by law.

Due to the legal restrictions under the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F of the Laws of Hong Kong) and the Prevention and Control of Disease (Prohibition on Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the “Regulations”) which have been implemented to deal with the risks of COVID-19 pandemic and which limit the number of people permitted for group gatherings in public places (including any meeting of shareholders), it is possible that our shareholders and/or their representatives may not be able to attend in person at the annual general meeting venue depending on prevailing Government Regulations. Shareholders are strongly encouraged to appoint the Chairman of the meeting or any Director or the company secretary of the Company as their proxy and to return their forms of proxy by the time specified above, instead of attending the annual general meeting in person.

Subject to the development of the COVID-19 pandemic, the Company may be required to change the annual general meeting arrangements at short notice. Shareholders should check the Company’s website for future announcements and updates on the annual general meeting arrangements.

DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context otherwise requires:

“Annual General Meeting”	the annual general meeting of the Company to be held at Empire Room I, 1/F, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Monday, 30 May 2022 at 9:30 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“Company”	Shenwan Hongyuan (H.K.) Limited, the shares of which are listed on the Stock Exchange
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Director(s)”	the director(s) of the Company
“Existing Articles”	the memorandum and articles of association of the Company currently in force, and a reference to a “Existing Article” is a reference to a provision in the Existing Articles
“General Mandate”	the general authority to the Directors to allot, issue and deal with Shares in accordance with the terms set out in Ordinary Resolutions 4 and 6 in the notice convening the Annual General Meeting dated 29 April 2022
“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 People’s Republic of China
“Latest Practicable Date”	25 April 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“New Articles”	the articles of association of the Company, proposed to be adopted by the Company to replace the Existing Articles under special resolution contained in the notice of the Annual General Meeting, and a reference to a “New Article” is a reference to a provision in the New Articles
“PRC”	the People’s Republic of China and, for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Predecessor Companies Ordinance”	Companies Ordinance, Chapter 32 of the Laws of Hong Kong, which was in force immediately prior to 3 March 2014
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Repurchase Mandate”	the authority to the Directors to exercise all the powers of the Company to repurchase Shares of the Company in accordance with the terms set out in Ordinary Resolution 6 in the notice convening the Annual General Meeting dated 29 April 2022
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“%”	per cent



SHENWAN HONGYUAN (H.K.) LIMITED

申萬宏源(香港)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

Executive Directors:

Wu Meng (*Chairman*)

Zhang Jian

Liang Jun (*Chief Executive Officer*)

Registered Office:

Level 19

28 Hennessy Road

Hong Kong

Non-executive Director:

Zhang Lei

Independent Non-executive Directors:

Ng Wing Hang Patrick

Kwok Lam Kwong Larry

Chen Liqiang

29 April 2022

To the Shareholders

Dear Sir or Madam,

PROPOSALS INVOLVING

- (1) RE-ELECTION OF RETIRING DIRECTORS,**
- (2) GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES,**
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- AND**
- (10) NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against the resolutions, and to give you the notice of the Annual General Meeting.

The resolutions include (i) re-election of retiring Directors; (ii) granting to the Directors a general and unconditional mandate (a) to issue further Shares representing up to 20% of the aggregate number of shares in issue of the Company as at the date of passing of the resolution, and (b) to issue Shares not exceeding the aggregate number of shares repurchased pursuant to the Share Repurchase Mandate; (iii) granting to the Directors the Share Repurchase Mandate; (iv) adoption of New Articles; (v) authorisation to the Board on acquiring and disposing of an asset and making an investment; (vi) authorisation to the Board on borrowing and provision of guarantee and entering into a connected transaction; (vii) authorisation to the Board on establishing, acquiring and investing in any operating institution; (viii) authorisation to the Board on adopting and approving any operating strategy, development strategy, investment plan, annual financial budget or final accounts of the Company; (ix) authorisation to the Board on appointing and removing from office any Director; and (x) authorisation to the Board on delegation of powers of the Board under Article 126 and Article 127(C) of the New Articles to others.

2. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the following requirements:

1. Article 95 of the Articles of Association states that any Director newly appointed shall hold office only until the first general meeting of the Company after his appointment and shall then be eligible for re-election;
2. Article 104(A) of the Articles of Association states that at each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election. The retiring Directors shall be eligible for re-election; and
3. Code provision B.2.3 of the Corporate Governance Code set out in Appendix 14 of the Listing Rules states that if an independent non-executive director has served for more than nine years, his further appointment should be subject to a separate resolution to be approved by the shareholders;

Mr. Liang Jun, Mr. Zhang Jian, Mr. Zhang Lei, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Chen Liqiang shall retire at the conclusion of the Annual General Meeting and being eligible, will offer themselves for re-election.

LETTER FROM THE BOARD

Having regard to the director nomination policy of the Company, the Nomination Committee has reviewed and considered the biographical and background information of each retiring Director (including but not limited to skills, knowledge, professional experience, gender, age, cultural and educational background as set out in the board diversity policy of the Company), and recommended to the Board that the re-election of all retiring Directors be proposed for Shareholders' approval at the Annual General Meeting. The Nomination Committee and the Board have also reviewed and assessed the independence of each individual Independent Non-executive Director including those to be re-elected at the Annual General Meeting, namely Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Chen Liqiang, based on the annual confirmation of independence (against the independence guidelines as set out in rule 3.13 of the Listing Rules) provided by such Directors and considered that all Independent Non-executive Directors are still regarded as independent. Notwithstanding the fact that Mr. Ng Wing Hang Patrick and Mr. Kwok Lam Kwong Larry have served the Company for more than nine years, they have demonstrated independence in character and judgment in the discharge of their responsibilities as Independent Non-executive Directors and there are no circumstances which are likely to affect their independence. The Board is therefore considered that they are still regarded as independent and believed that their valuable knowledge and experience in the Group's business and their general business acumen continue to generate significant contribution to the Board, the Company and the Shareholders as a whole.

Brief biography, as at the Latest Practicable Date, of each of the Directors to be re-elected at the Annual General Meeting is set out below:

Mr. Liang Jun, aged 37, was appointed as an Executive Director and the Chief Executive Officer of the Company on 12 June 2021. Mr. Liang is currently the chairman of the Management Committee and a member of each of the Risk Committee, the Environmental, Social and Governance Committee and the Executive Committee of the Company. Mr. Liang is also a deputy general manager of Shenwan Hongyuan (International) Holdings Limited, being a company controlled by Shenwan Hongyuan Group Co., Ltd. (6806.HK, 000166.SZ), the holding company of the Company. He joined the Group in June 2019 and has been appointed as a Deputy General Manager and Head of Global Capital Markets of the Group in February 2021. Prior to joining the Group, Mr. Liang worked in the risk management department, the CEO office and fixed income department of CITIC Securities Company Limited, and the equity capital market department of CLSA Limited. He has around 15 years' experience in securities business. Mr. Liang holds a Postgraduate Master's Degree in Finance from Nankai University, and is a Chartered Financial Analyst (CFA) and a Financial Risk Manager (FRM).

Save as disclosed above, Mr. Liang did not hold any other directorships in other Hong Kong or overseas listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Liang holds directorships in certain wholly-owned subsidiaries of the Company. Save as disclosed above, he does not have any relationship with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

LETTER FROM THE BOARD

Mr. Liang does not have interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Liang was appointed as an Executive Director of the Company for a term commencing from 12 June 2021 and shall hold office until the first general meeting of the Company after his appointment and shall then be eligible for re-election; and thereafter subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. Mr. Liang received a sum of HK\$3,405,620 being salary, allowances, benefits in kind, retirement benefit scheme contributions and performance related discretionary bonuses for his position as Chief Executive Officer of the Company for the year ended 31 December 2021. Save as disclosed above, Mr. Liang has not received any director's fee and other remuneration from the Company.

In relation to the re-election of Mr. Liang as Director, there is no other information to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Zhang Jian, aged 44, was appointed as an Executive Director of the Company on 28 November 2018 and is currently a member of the Executive Committee of the Company. Mr. Zhang is also a deputy general manager, member of the executive committee and chairman of investment banking committee of Shenwan Hongyuan Securities Co., Ltd.; a director of Shenwan Hongyuan (International) Holdings Limited and the chairman of Shenwan Hongyuan Financing Services Co., Ltd., all of which being companies controlled by Shenwan Hongyuan Group Co., Ltd. (6806.HK, 000166.SZ), the holding company of the Company. Prior to joining Shenwan Hongyuan Financing Services Co., Ltd. in November 2017, he worked for CITIC Securities Company Limited from July 2001 to October 2017 and held various positions in corporate finance division, and merger and acquisition business division. He has more than 20 years' experience in corporate finance business. Mr. Zhang graduated from Sun Yat-sen University with a Ph.D. Degree in Economics (major in Finance) and is qualified as a sponsor representative in China.

Save as disclosed above, Mr. Zhang did not hold any other directorship in other Hong Kong or overseas listed public companies in the last three years, and as at the Latest Practicable Date, he did not hold any other position with the Company or its subsidiaries and did not have any relationship with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

Mr. Zhang does not have interests in the Shares within the meaning of Part XV of the SFO. Pursuant to a letter of appointment issued by the Company, Mr. Zhang was appointed as an Executive Director of the Company for a term until the conclusion of the Annual General Meeting of the Company to be held in 2022 and subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. Mr. Zhang did not receive any remuneration for acting as Executive Director of the Company.

In relation to the re-election of Mr. Zhang as Director, there is no other information to be disclosed pursuant to the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Mr. Zhang Lei, aged 53, was appointed as a Non-executive Director of the Company in February 2013. He graduated from Shanghai Jiaotong University as doctor of philosophy of Financial Management Engineering in 1997. Mr. Zhang has many years of experience in the securities industry. He has previously worked for Shenyin & Wanguo Securities Co., Ltd., the former of Shenwan Hongyuan Group Co., Ltd., as deputy manager of Client Asset Management Division. Mr. Zhang joined Shanghai Industrial Investment (Holdings) Company Limited in July 2006, and currently serves as its general manager of Finance & Planning Department. He also presently holds directorships in certain wholly-owned subsidiaries of Shanghai Industrial Investment (Holdings) Company Limited and acts as the responsible officer of SIIC Asset Management Company Limited.

Save as disclosed above, Mr. Zhang did not hold any other directorship in other Hong Kong or overseas listed public company in the last three years.

Mr. Zhang is a director of Shenwan Hongyuan Holdings (B.V.I.) Limited, a substantial shareholder of the Company. Save as disclosed above, he does not have any relationship with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

Mr. Zhang does not have interests in the Shares of the Company within the meaning of Part XV of the SFO. Pursuant to a letter of appointment issued by the Company, Mr. Zhang was appointed as an Non-executive Director of the Company for a term until the conclusion of the Annual General Meeting of the Company to be held in 2022 and subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. The remuneration of Mr. Zhang is determined by the Board with reference to the remuneration benchmark in the industry and the prevailing market conditions. Mr. Zhang did not receive any director's fee for acting as Non-executive Director of the Company for the year ended 31 December 2021.

In relation to the re-election of Mr. Zhang as Director, there is no information to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Ng Wing Hang Patrick, aged 69, was appointed as an Independent Non-executive Director of the Company in January 1995. He is currently the chairman of the Audit Committee and the Risk Committee and a member of each of the Remuneration Committee and the Nomination Committee of the Company. Mr. Ng is a practising Certified Public Accountant in Hong Kong and is the Managing Director of Pan-China (H.K.) CPA Limited, a certified public accountants firm in Hong Kong. He also serves as an Independent Non-executive Director of Far East Hotels and Entertainment Limited (Stock Code: 37), which is listed on the Hong Kong Stock Exchange. Mr. Ng graduated from The Hong Kong Polytechnic University in 1975.

Save as disclosed above, Mr. Ng did not hold any other directorship in other Hong Kong or overseas listed public company in the last three years.

Mr. Ng has no financial or family relationships with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

LETTER FROM THE BOARD

Mr. Ng does not have interests in the Shares of the Company within the meaning of Part XV of the SFO. Pursuant to a letter of appointment issued by the Company, Mr. Ng was appointed as an Independent Non-executive Director of the Company for a term until the conclusion of the annual general meeting of the Company to be held in 2023 and subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. The remuneration of Mr. Ng is determined by the Board with reference to the remuneration benchmark in the industry and the prevailing market conditions. Mr. Ng received a director's fee of HK\$180,000 for the year ended 31 December 2021.

In relation to the re-election of Mr. Ng as Director, there is no information to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Kwok Lam Kwong Larry, *S.B.S., J.P.*, aged 66, was appointed as an Independent Non-executive Director of the Company in March 1995. He is currently the chairman of the Remuneration Committee and a member of each of the Audit Committee, the Nomination Committee, the Risk Committee and the Environmental, Social and Governance Committee of the Company. Mr. Kwok is a practising solicitor in Hong Kong and is also qualified to practise as a solicitor in Australia, England and Wales and Singapore. He is also qualified as a Chartered Accountant in England and Wales and a CPA in Hong Kong and Australia. Mr. Kwok graduated from the University of Sydney, Australia with Bachelor's Degrees in Economics and Laws as well as a Master's Degree in Laws. He also obtained the Advanced Management Program Diploma from the Harvard Business School. Mr. Kwok is currently a chairman of the Appeal Tribunal Panel of the Buildings Ordinance (Cap.123) and an arbitrator of the Shenzhen Court of International Arbitration.

Mr. Kwok is currently a Non-executive Director of First Shanghai Investments Limited, an Independent Non-executive Director of Café de Coral Holdings Limited, Starlite Holdings Limited and AAC Technologies Holdings Inc., which are all listed on the Stock Exchange.

Save as disclosed above, Mr. Kwok did not hold any other directorship in other Hong Kong or overseas listed public company in the last three years.

Mr. Kwok has no financial or family relationships with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

Mr. Kwok does not have interests in the Shares of the Company within the meaning of Part XV of the SFO. Pursuant to a letter of appointment issued by the Company, Mr. Kwok was appointed as an Independent Non-executive Director of the Company for a term until the conclusion of the annual general meeting of the Company to be held in 2023 and subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. The remuneration of Mr. Kwok is determined by the Board with reference to the remuneration benchmark in the industry and the prevailing market conditions. Mr. Kwok received a director's fee of HK\$180,000 for the year ended 31 December 2021.

In relation to the re-election of Mr. Kwok as Director, there is no information to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Mr. Chen Liqiang, aged 43, was appointed as an Independent Non-Executive Director of the Company in November 2018. He is currently a member of each of the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Committee and the Environmental, Social and Governance Committee of the Company. He is currently working in a financial institution with more than 10 years of finance experience. Mr. Chen has previously worked for the Department of Public Offering Supervision of the China Securities Regulatory Commission and served as a director of the Shanghai Stock Exchange. He graduated from Peking University Law School with a Master Degree in Laws and also obtained the Chinese legal professional qualification.

Save as disclosed above, Mr. Chen did not hold any other directorship in other Hong Kong or overseas listed public company in the last three years.

Mr. Chen has no financial or family relationships with any other Director, senior management, controlling shareholder or substantial shareholder of the Company.

Mr. Chen does not have interests in the Shares of the Company within the meaning of Part XV of the SFO. Pursuant to a letter of appointment issued by the Company, Mr. Chen was appointed as an Independent Non-executive Director of the Company for a term until the conclusion of the Annual General Meeting of the Company to be held in 2022 and subject to retirement by rotation and re-election in accordance with the Articles of Association, applicable laws and other regulatory requirements. The remuneration of Mr. Chen is determined by the Board with reference to the remuneration benchmark in the industry and the prevailing market conditions. Mr. Chen received a director's fee of HK\$180,000 for the year ended 31 December 2021.

In relation to the re-election of Mr. Chen as Director, there is no information to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 21 May 2021, resolutions were passed granting to the Directors a general and unconditional mandate (1) to issue further Shares representing up to 20% of the aggregate number of shares in issue of the Company; and (2) to issue Shares not exceeding the aggregate number of shares repurchased. This general mandate will expire at the conclusion of the Annual General Meeting of the Company to be held on 30 May 2022.

At the Annual General Meeting, it will be proposed that the Directors be granted a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of shares in issue of the Company as at the date when the relevant ordinary resolution is passed. As such, the maximum number of shares which may be issued pursuant to the General Mandate will be 312,227,737 Shares. The total number of Shares subject to the General Mandate will be increased by the addition thereto of any Shares repurchased by the Company under the proposed Share Repurchase Mandate.

LETTER FROM THE BOARD

4. SHARE REPURCHASE MANDATE

At the annual general meeting of the Company held on 21 May 2021, resolution was passed granting to the Directors all the powers to repurchase up to 10% of the aggregate number of shares in issue of the Company. This general mandate to repurchase of shares will expire at the conclusion of the Annual General Meeting of the Company to be held on 30 May 2022.

At the Annual General Meeting, it will be proposed that the Directors be granted the Share Repurchase Mandate, which will enable the Directors to exercise all the powers of the Company to repurchase its own Shares at any time until the earlier of the conclusion of the next annual general meeting (unless the mandate is renewed at such meeting), the expiration of the period within which the next annual general meeting is required by the Articles of Association or by law to be held, and the revocation or variation of the authority given under the Share Repurchase Mandate by an ordinary resolution of Shareholders in general meeting. The total number and description of Shares which may be repurchased pursuant to the Share Repurchase Mandate is limited to a maximum of 10% of the number of shares in issue of the Company as at the date when the Share Repurchase Mandate is granted.

Exercise of The Share Repurchase Mandate

As at the Latest Practicable Date, the total number of shares in issue of the Company was 1,561,138,689 Shares.

Subject to the passing of the ordinary resolution to approve the Share Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 156,113,868 Shares.

Reasons for Repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

Funding of Repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the laws of Hong Kong and the Listing Rules. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company.

LETTER FROM THE BOARD

The Directors propose that such repurchases of Shares will be appropriately financed by the Company's internal resources and/or available banking facilities. There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 December 2021 and taking into account the financial position of the Company as at the Latest Practicable Date, in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

Share Prices

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months prior to the Latest Practicable Date and during April 2022 (up to and including the Latest Practicable Date) were as follows:

	Share Price	
	Highest (HK\$)	Lowest (HK\$)
2021		
April	1.05	1.00
May	1.02	0.90
June	1.08	0.96
July	1.04	0.93
August	1.11	0.97
September	1.28	1.01
October	1.10	0.95
November	1.03	0.91
December	1.01	0.89
2022		
January	1.02	0.88
February	0.92	0.85
March	0.87	0.73
April (up to and including the Latest Practicable Date)	0.79	0.69

LETTER FROM THE BOARD

Disclosure of Interests

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell the Shares to the Company, or have undertaken not to do so in the event that the Share Repurchase Mandate is approved by the Shareholders.

Directors' Undertaking

The Directors have undertaken to the Stock Exchange that they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the laws of Hong Kong.

Share Repurchases made by the Company

No repurchases of the Shares were made by the Company, whether on the Stock Exchange or otherwise, in the previous six months prior to the Latest Practicable Date.

Takeovers Code Consequences

If, as a result of a repurchase of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

In the event that the Share Repurchase Mandate is exercised in full, the interest of Shenwan Hongyuan Group Co., Ltd., the ultimate controlling shareholder of the Company, in the issued Shares would increase from 75%, as at the Latest Practicable Date, to 83.33% approximately. Therefore, Shenwan Hongyuan Group Co., Ltd. shall not be subject to any obligation under Rule 26 of the Takeovers Code. Besides, the Directors are not aware of any Shareholder, or any group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Share Repurchase Mandate.

LETTER FROM THE BOARD

5. ADOPTION OF NEW ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 22 April 2022 in relation to the proposed adoption of the New Articles.

The following major statutory changes which came into operation on 3 March 2014 when the Companies Ordinance came into effect may have impact on the provisions contained in the Existing Articles:

- (a) the Companies Ordinance has replaced the Predecessor Companies Ordinance, and the major changes include, inter alia, abolishing the par value for shares, abolishing the memorandum of association and regarding conditions in the memorandum of association of existing companies as provisions of the articles of association, removing the power to issue warrants to bearer, removing the power to convert shares into stock, requiring the company to give reasons for declining to register a transfer of shares upon request, reducing the threshold for demanding a poll, making the keeping and use of a common seal optional and deeming consent from members to receive corporate communications via the company's website; and
- (b) the Predecessor Companies Ordinance has been retitled as Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) which retains the provisions dealing with company winding-up and insolvency, disqualification of directors as well as prospectus related matters.

The Board proposes to adopt the New Articles to replace the Existing Articles in order to (i) bring the articles of association of the Company in line with the latest applicable laws, rules and regulations, including the Companies Ordinance and the Listing Rules; (ii) further improve the corporate governance structure of the Company after taking into consideration the needs of the Company for operation and development; (iii) improve on the drafting and correct typographical errors; and (iv) allow general meetings to be held as a hybrid meeting where the Shareholders may attend by electronic means in addition to as a physical meeting where Shareholders attend in person. The major proposed amendments include, among others, the following:

- (a) to migrate the mandatory clauses from the memorandum of association of the Company (the "**Memorandum**") regarding company name and member's limited liabilities to the New Articles and the New Articles will become the single constitutional document of the Company due to the abolition of the Memorandum under the Companies Ordinance;
- (b) to amend the definition of "Companies Ordinance" and where appropriate, to make references to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

LETTER FROM THE BOARD

- (c) to amend the provisions relating to various ways to alter the Company's capital in light of the abolishment of the par value for shares under the Companies Ordinance;
- (d) to delete references relating to "memorandum", "nominal value", "nominal amount of the shares", "premium", "share premium account" and "capital redemption reserve" or similar wordings and where applicable, replacing references to nominal value of shares with total voting rights;
- (e) to remove the Company's power to convert any paid up shares into stock (or vice versa);
- (f) to remove the Company's power to issue warrants to bearer;
- (g) to delete, add or modify certain definitions as appropriate;
- (h) to clarify the matters that require Shareholders' approval;
- (i) to clarify the matters that require approval of the Board;
- (j) to set out the criteria for the appointment of senior management executives and the appointment procedures;
- (k) to allow all general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) to be held as a physical meeting in any part of the world (except that the principal place of the general meeting must be a location in Hong Kong) and at one or more locations, or as a hybrid meeting;
- (l) to insert the definitions of "hybrid meeting", "Meeting Location", "physical meeting" and "Principal Meeting Place", and making corresponding changes to the relevant articles;
- (m) to provide for the proceedings of general meetings which are held at one or more locations, or as hybrid meetings, and the powers of the Board and the chairman in relation thereto;
- (n) to include the additional details to be specified in a notice of general meeting in light of allowing general meetings to be held at more than one meeting location, or as a hybrid meeting;
- (o) to provide that the chairman of a general meeting may determine that the results of a poll, if certified by scrutineer(s) appointed by the Company or the chairman of the general meeting or a Director or the company secretary of the Company, shall be published on the Company's website without the requirement for the results being declared at the meeting or adjourned meeting or postponed meeting; and

LETTER FROM THE BOARD

- (p) to provide that votes (whether on a show of hands or a poll) may be cast by such means, electronic or otherwise, as the Directors of the Company or the chairman of the meeting may determine.

In view of the amount of amendments proposed to be made, the Board proposes that the New Articles be adopted in substitution for and to the exclusion of the Existing Articles. The full text of the proposed New Articles (marked-up against the Existing Articles) is set out in Appendix I to this circular. The Chinese translation of the proposed New Articles 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 Annual General Meeting to approve the adoption of the New Articles. The New Articles will become the single constitutional document of the Company with effect from passing the relevant special resolution at the Annual General Meeting.

The new Articles reflecting all the changes to the existing Articles will be available for inspection during normal business hours on any business day (excluding Saturdays, Sundays and public holidays) from the date of this circular up to and including the date of the Annual General Meeting at the office of the Company at Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong.

The proposed adoption of the New Articles is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting.

6. AUTHORISATION TO THE BOARD ON ACQUIRING AND DISPOSING OF AN ASSET AND MAKING AN INVESTMENT

Article 74(i) of the New Articles provides that the Company may not, without Shareholders' approval, acquire or dispose of an asset or make an investment in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company.

The Company is an investment holding company, the operations of its subsidiaries are mainly based in Hong Kong and its services include: (i) brokerage business; (ii) corporate finance business; (iii) asset management business; (iv) financing and loans business; and (v) investment and other business. As one of the principal activities of the Company is investment, the Company may from time to time acquire or dispose of an asset or make an investment.

LETTER FROM THE BOARD

Given the above, the Board expects that the Group would be required from time to time in its ordinary and usual course of business to carry out acquisition or disposal of assets or to make investments. As at 31 December 2021, the audited consolidated net asset value of the Group was HK\$3,855 million. In the absence of the Investment Mandate (as defined below), under Article 74(i) of the New Articles, the Company would need to seek Shareholders' approval every time it proposes to enter into any transaction to acquire or dispose of an asset or make an investment, with an amount that is equal to or more than HK\$385.5 million (based on the audited consolidated net asset value of the Group as at 31 December 2021). To enhance operational efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to acquire or dispose of an asset or make an investment with a value equal to or exceeding ten (10) per cent of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company in any single transaction (the "**Investment Mandate**"). All transactions carried out under the Investment Mandate will be on normal commercial terms. In the event any such transaction is subject to any additional requirements under any applicable laws, regulations and rules (for example, if it constitutes a transaction under Chapter 14 of the Listing Rules or a connected transaction under Chapter 14A of the Listing Rules), the Company will comply with all such requirements. For the avoidance of doubt, the Investment Mandate would not absolve the Company from its obligation to comply with any Listing Rules requirements. Further, the Investment Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 8 of the notice of the Annual General Meeting. For further details of the Investment Mandate, please refer to resolution no. 8 of notice of the Annual General Meeting.

7. PROPOSED AUTHORISATION TO THE BOARD ON BORROWING AND PROVISION OF GUARANTEE AND ENTERING INTO A CONNECTED TRANSACTION

Article 74(ii) of the New Articles provides that the Company may not, without Shareholders' approval, transact or undertake certain businesses or actions including borrowing, provision of guarantee and entering into a connected transaction (as defined under the Listing Rules) in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value the Group as shown in the latest published financial statements of the Company.

The Company and its subsidiaries are required to maintain sufficient liquid capital to meet the capital requirements as stipulated under the Securities and Futures (Financial Resources) Rules (Cap. 571N) for their regulated activities and other businesses from time to time, and to support the daily operations and further development of the Group.

The Company raises funds by various means including, but not limited to, 1) issuing bonds to professional investors (as defined in Chapter 37 of the Listing Rules and in the SFO), and 2) obtaining banking facilities. In addition, as part of their ordinary and usual course of business, the Company's wholly-owned subsidiaries also borrow from banks, and some of such borrowings require the support of a guarantee provided by the Company. From time to time the Company is also required to provide guarantees in respect of certain over-the-counter transactions carried out, derivative products issued and the related agreements entered into, by the wholly-owned subsidiaries of the Company in their ordinary and usual course of business (all the transactions referred above referred to as "**Funding Transactions**").

LETTER FROM THE BOARD

In addition, the Company also enters into connected transactions or continuing connected transaction with connected person (as defined in the Listing Rules) from time to time during its ordinary and usual course of business, including but not limited to, the continuing connected transaction with Shenwan Hongyuan Group Co., Ltd. according to the memorandum of understanding entered into between Shenwan Hongyuan Group Co., Ltd. and the Company in 2019, details of which have been disclosed in the announcement of the Company dated 29 March 2019 and the circular of the Company dated 30 April 2019.

Given the capital requirements for the on-going daily operations of the Company's subsidiaries and the anticipated growth for their businesses, the Board expects that the Funding Transactions and the connected transactions would be required from time to time in the ordinary and usual course of business of the Group. As at 31 December 2021, the audited consolidated net asset value of the Group was HK\$3,855 million. In the absence of the Borrowing Mandate (as defined below) and Connected Transaction Mandate (as defined below), under Article 74(ii) of the New Articles, the Company would need to seek Shareholders' approval every time it proposes to enter into a Funding Transaction, such as a bank borrowing, or a connected transaction which is fully-exempt or partially exempt under the Listing Rules, with an amount that is equal to or more than HK\$385.5 million (based on the audited consolidated net asset value of the Group as at 31 December 2021). To enhance operational efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to enter into any Funding Transaction by or on behalf of the Company with a value equal to or exceeding 10 per cent of the consolidated net asset value of the Group in any single transaction (the "**Borrowing Mandate**"), and any connected transaction by or on behalf of the Company with a value equal to or exceeding 10 per cent of the consolidated net asset value of the Group in any single transaction (the "**Connected Transaction Mandate**"). All Funding Transactions carried out under the Borrowing Mandate and all connected transactions carried out under the Connected Transaction Mandate will be on normal commercial terms. In the event any such Funding Transaction or connected transaction is subject to any additional requirements under any applicable laws, regulations and rules (for example, if it constitutes a transaction under Chapter 14 of the Listing Rules), the Company will comply with all such requirements. For the avoidance of doubt, neither the Borrowing Mandate nor the Connected Transaction Mandate would absolve the Company from its obligation to comply with any Listing Rules requirements. Further, the Borrowing Mandate and the Connected Transaction Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 9 of the notice of the Annual General Meeting. For further details of the Borrowing Mandate and the Connected Transaction Mandate, please refer to resolution no. 9 of the notice of the Annual General Meeting.

8. AUTHORISATION TO THE BOARD ON ESTABLISHING, ACQUIRING AND INVESTING IN ANY OPERATING INSTITUTION

Article 74(iii) of the New Articles provides that the Company may not, without Shareholders' approval, establish, acquire or invest in any operating institution.

The Company may from time to time establish, acquire or invest in operating institution for the purpose of, including but not limited to, company reorganisation, investment, or carrying out its principal business activities etc.

LETTER FROM THE BOARD

To enhance operational efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to establish, acquire or invest in any operating institution (the “**Operation Mandate**”). All transactions carried out under the Operation Mandate will be on normal commercial terms. In the event any such transaction is subject to any additional requirements under any applicable laws, regulations and rules (for example, if it constitutes a transaction under Chapter 14 of the Listing Rules or a connected transaction under Chapter 14A of the Listing Rules), the Company will comply with all such requirements. For the avoidance of doubt, the Operation Mandate would not absolve the Company from its obligation to comply with any Listing Rules requirements. Further, the Operation Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 10 of the notice of the Annual General Meeting. For further details of the Operation Mandate, please refer to resolution no. 10 of the notice of the Annual General Meeting.

9. **AUTHORISATION TO THE BOARD ON ADOPTING AND APPROVING ANY OPERATING STRATEGY, DEVELOPMENT STRATEGY, INVESTMENT PLAN, ANNUAL FINANCIAL BUDGET OR FINAL ACCOUNTS OF THE COMPANY**

Article 74(v) of the New Articles provides that the Company may not, without Shareholders’ approval, adopt or approve any operating strategy, development strategy, investment plan, annual financial budget or final accounts of the Company provided that if a matter that would otherwise require approval of the shareholders has been expressly included in an operating strategy, development strategy, investment plan, annual financial budget or final accounts that has received approval of the shareholders, then no further approval of the Shareholders is required.

In the absence of the Business Mandate (as defined below), under the Article 74(v) of the New Articles, the Company would need to seek Shareholders’ approval every time it wishes to adopt any operating strategy, development strategy, investment plan, annual financial budget or final accounts. To enhance operational efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to adopt or approve any operating strategy, development strategy, investment plan or annual financial budget or final accounts of the Company (the “**Business Mandate**”). In the event any such matter is subject to any additional requirements under any applicable laws, regulations and rules, the Company will comply with all such requirements. For the avoidance of doubt, the Business Mandate would not absolve the Company from its obligation to comply with any Listing Rules requirements. Further, the Business Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 11 of the notice of the Annual General Meeting. For further details of the Business Mandate, please refer to resolution no. 11 of the notice of the Annual General Meeting.

LETTER FROM THE BOARD

10. AUTHORISATION TO THE BOARD ON APPOINTING AND REMOVING FROM OFFICE ANY DIRECTOR

Article 74(vi) of the New Articles provides that the Company may not, without Shareholders' approval, appoint or remove from office any Director (other than in accordance with the Companies Ordinance).

In the absence of the Management Mandate (as defined below), under Article 74(vi) of the New Articles, the Company would need to seek Shareholders' approval every time it appoints or removes from office any Director (other than in accordance with and under the powers conferred by the Companies Ordinance). To enhance operational efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to appoint or remove from office any Director, including appointment of Director to fill casual vacancy (the "**Management Mandate**"). In the event any such appointment or removal of Director is subject to any requirements under any applicable laws, regulations, rules and the New Articles, the Company will comply with all such requirements. For the avoidance of doubt, the Management Mandate would not absolve the Company from its obligation to comply with any Listing Rules requirements. Further, the Management Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 12 of the notice of the Annual General Meeting. For further details of the Management Mandate, please refer to resolution no. 12 of the notice of the Annual General Meeting.

11. AUTHORISATION TO THE BOARD ON DELEGATION OF POWERS OF THE BOARD UNDER ARTICLE 126 AND ARTICLE 127(C) OF THE NEW ARTICLES TO OTHERS

Article 126 of the New Articles provides that all appointments or removals of senior management executives responsible for business operations, compliance, risk management or financial affairs of the Company and their performance appraisal and remuneration must be approved by the Board.

Article 127(C) of the New Articles provides that subject to the provisions of the Companies Ordinance, the Listing Rules, the New Articles and other applicable laws, rules and regulations, the Company may not, without the Board's consideration and approval, enter into business or take actions in relation to the following:

- (i) major business management issues such as major investment and financing of the Company, new businesses, new products and new models;
- (ii) financial statements and budgets;
- (iii) dividend policy, declaration of the interim dividend and recommendation of the final dividend;
- (iv) issue and allotment of shares as authorised by the shareholders of the Company in general meeting;

LETTER FROM THE BOARD

- (v) acquiring or disposing of an asset or making an investment in any single transaction with a value (i) representing five (5) per cent or more but less than ten (10) per cent of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company; and (ii) not less than RMB five (5) million;
- (vi) borrowing or providing guarantee, or entering into a connected transaction (as defined under the Listing Rules) in any single transaction with a value (i) representing five (5) per cent or more but less than ten (10) per cent of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company; and (ii) not less than RMB five (5) million;
- (vii) formation and significant change of terms of reference of, and receiving reports from board committees;
- (viii) the authorisation management system of the Company (including but not limited to the establishment of any internal management structure of the Company);
- (ix) proposal or arrangement concerning employees' share scheme or any share incentive or share option scheme; and
- (x) approving any significant matters related to compliance management, internal control and risk prevention of the Company.

In the absence of the Delegation Mandate (as defined below), a Board meeting will have to be convened every time the Company wishes to approve any of the matters listed under Article 126 and Article 127(C) of the New Articles. To enhance board efficiencies and avoid unnecessary restrictions or delay on business development, an ordinary resolution will be proposed at the Annual General Meeting to authorise the Board to delegate the powers of the Board under Article 126 and Article 127(C) of the New Articles to any committee(s) of the Board or any other suitable person(s) subject to the determination by the Board (together, the "**Delegated Person(s)**"), and to authorise the Company to enter into business or take actions in relation to the matters listed under Article 126 and Article 127(C) of the New Articles upon consideration and approval by the Delegated Person(s) (the "**Delegation Mandate**"). To the extent any such matters under Article 126 and Article 127(C) of the New Articles is required to be approved by the Board under applicable laws, regulations and rules, the Company and its Directors will comply with all such requirements. For the avoidance of doubt, the Delegation Mandate would not absolve the Company or its Directors from their obligation to comply with any Listing Rules requirements. Further, the Delegation Mandate will expire at the next annual general meeting of the Company or such earlier dates as set out in resolution no. 13 of the notice of the Annual General Meeting. For further details of the Delegation Mandate, please refer to resolution no. 13 of the notice of the Annual General Meeting.

LETTER FROM THE BOARD

12. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 122 to 129 of this circular at which ordinary resolutions will be proposed to approve the re-election of the retiring Directors, the General Mandate, the Share Repurchase Mandate, the Investment Mandate, the Borrowing Mandate, the Connected Transaction Mandate, the Operation Mandate, the Business Mandate, the Management Mandate and the Delegation Mandate as well as a special resolution will be proposed to approve the adoption of New Articles.

A proxy form for use at the Annual General Meeting is enclosed herewith and is also published on the website of the Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the website of the Company (<http://www.swhyhk.com>). Whether or not you are able to attend the Annual General Meeting, you are advised to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the office of the Company at Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong, as soon as possible but in any event not later than 9:30 a.m. on Friday, 27 May 2022. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof (as the case may be) should you so wish.

13. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the notice of the Annual General Meeting shall be decided by poll. An explanation of the detailed procedures of conducting a poll will be provided to Shareholders at the commencement of the Annual General Meeting, to ensure that Shareholders are familiar with such procedures.

The poll results will be published on the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the Company's website at <http://www.swhyhk.com> after the conclusion of the Annual General Meeting.

14. RECOMMENDATION

The Directors believe that the re-election of Directors, the General Mandate, the Share Repurchase Mandate, the proposed adoption of the New Articles, the Investment Mandate, the Borrowing Mandate, the Connected Transaction Mandate, the Operation Mandate, the Business Mandate, the Management Mandate and the Delegation Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of all the relevant resolutions to be proposed in the Annual General Meeting as they intend to do themselves in respect of the Shares controlled by them.

Yours faithfully,
On behalf of the Board
Shenwan Hongyuan (H.K.) Limited
Wu Meng
Chairman

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

MEMORANDUM

AND

NEW ARTICLES OF ASSOCIATION

(As adopted by Special Resolution passed on 8th December, 1990[●], 2022)

OF

~~SHENYIN WANGUOSHENWAN HONGYUAN (H.K.) LIMITED~~

~~申銀萬國申萬宏源(香港)有限公司~~

Incorporated the 18th day of August, 1972.

HONG KONG

~~Reprinted on 19 May, 2006.~~

In case of any inconsistency between the English version and Chinese version, the English version shall prevail.

No. 29159

編號

(COPY)
公司註冊處
COMPANIES REGISTRY

公司更改名稱證明書
CERTIFICATE OF CHANGE OF NAME

I hereby certify that

本人謹此證明

SHENYIN WANGUO (H.K.) LIMITED
(申銀萬國(香港)有限公司)

已藉特別決議更改其名稱，該公司根據

having by special resolution changed its name, is now incorporated under the
香港法例第622章《公司條例》註冊的名稱現為

Companies Ordinance (Chapter 622 of the Laws of Hong Kong) in the name of

SHENWAN HONGYUAN (H.K.) LIMITED
(申萬宏源(香港)有限公司)

本證明書於二〇一五年五月二十一日發出。

Issued on 21 May 2015.

(Sd.) Ms. Ada L L CHUNG

香港特別行政區公司註冊處處長鍾麗玲

Ms. Ada L L CHUNG

Registrar of Companies

Hong Kong Special Administrative Region

註Note:

公司名稱獲公司註冊處註冊，並不表示獲授予該公司名稱或其任何部分的商標權或任何其他知識產權。

Registration of a company name with the Companies Registry does not confer any trade mark rights or any other intellectual property rights in respect of the company name or any part thereof.

THE COMPANIES ORDINANCE
(CHAPTER 32)

SPECIAL RESOLUTION
OF

SHENYIN WANGUO (H.K.) LIMITED
申銀萬國(香港)有限公司

Passed on the 19th day of May, 2006

At the Annual General Meeting of Shenyin Wanguo (H.K.) Limited (申銀萬國(香港)有限公司) held on 19th May, 2006 at 9:00 a.m., the following Special Resolution was duly passed :-

~~“THAT the Articles of Association of the Company be and are hereby amended in the following respects:~~

~~(a) by deleting the existing Article 81 and substituting therefore the following:-~~

~~-Article 81 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class of shares, at any general meeting on a show of hands every member who (being an individual) is present in person by proxy or (being a corporation) is present by a representative duly authorized under Section 115 of the Companies Ordinance shall have one vote, and on a poll every member present in person, or (being a corporation) by duly authorized representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or installments shall be treated for the purposes of this Article as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.-~~

(b) ~~by deleting the existing Article 95 and substituting therefore the following:-~~

~~“Article 95 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 first general meeting of the Company after his appointment and shall then be eligible for re-election. In case the aforesaid first general meeting is an annual general meeting, he shall not be taken into account in determining the number of Directors to retire at that meeting pursuant to Article 104(A).”~~

(c) ~~by deleting the existing Article 104(A) and substituting therefore the following :-~~

~~“Article 104 At each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.”~~

(Sd.) Feng Guorong

Feng Guorong
CHAIRMAN

THE COMPANIES ORDINANCE (CHAPTER 32)
SPECIAL RESOLUTION
OF
SHENYIN WANGUO (H.K.) LIMITED
申銀萬國(香港)有限公司

PASSED ON 21ST MAY, 2004

At the Annual General Meeting of Shenyin Wanguo (H.K.) Limited” (申銀萬國(香港)有限公司) held on 21st May, 2004 at 9:00 a.m., the following Special Resolution was duly passed :-

“THAT the Articles of Association of the Company be and are hereby amended in the following respects:

(a) by adding the following definitions in Article 2:

“associate”, in relation to any Director, has the meaning ascribed to it under the Listing Rules;

“Hong Kong Stock Exchange” means The Stock Exchange of Hong Kong Limited;

“Listing Rules” shall mean The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time;

(b) by deleting the existing definition of “writing” or “printing” in Article 2 and substituting therefor the following definition:

“writing” or “printing” shall include printing, lithograph, xerography, photography or other modes of representing or reproducing words in a permanent visible form or, to the extent permitted by and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including a communication sent by electronic transmission in any form through any medium), or modes of representing or reproducing words partly in one visible form and partly in another visible form.

(c) by deleting the words “Securities and Futures (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong)” in Article 92(B) and replacing them with the words “Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”.

(d) by adding the following Article 92(C) immediately after Article 92(B)

“92(C) Where any member, under the Listing Rules, is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.”

- (e) ~~by adding the following sentence at the end of Article 96(A):~~

~~“A Director who has appointed a person (including another Director) to be his alternate Director shall not be vicariously liable for any tort committed by the alternate Director.”~~

- (f) ~~by deleting the existing Article 103(A)(ii) and substituting therefor the following:-~~

~~“103(A)(ii) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested, such proposals, may be divided and considered in relation to each Director separately, and in such case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment, or unless either he or any of his associates has any material interest in such resolution. For the avoidance of doubt, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of only one Director to office or employment with the Company or any company in which the Company is interested, such Director shall not be entitled to vote and be counted in the quorum in respect of such resolution(s).”~~

- (g) ~~by adding the words “or any of his associates” immediately after the words “any Director” in the 6th and 8th line and immediately after the word “he” in the 14th and last line of Article 103(B)(i):~~

- (h) ~~by adding the words “or the interest of any of his associates” immediately after the words “his interest” in the 14th and 17th line of Article 103(B)(i):~~

- (i) ~~by deleting the words “he is to his knowledge’ in the 3rd and 4th line of Article 103(B)(ii) and replacing with the words “to his knowledge he or any of his associates is”:~~

- (j) ~~by adding the words “or any of his associates” immediately after the words “the Director” in the 2nd line and immediately after the word “him” in the 4th and 5th line of Article 103(B)(ii)(a):~~

- (k) ~~by deleting the word “himself’ in the 6th line of Article 103(B)(ii)(b) and replacing it with “or any of his associates”:~~

- (l) ~~by adding the words “or any of his associates” immediately after the words “the Director” in the 5th line of Article 103(B)(ii)(c):~~

- (m) ~~by adding the words “or any of his associates” immediately after the word “he” in the 2nd line and the words “, whether directly or indirectly,” immediately after the word “only” in the 3rd line of Article 103(B)(ii)(d).~~
- (n) ~~by adding the words “or any of his associates” immediately after the word “Director” in the 3rd line of Article 103(B)(ii)(e) and deleting the proviso appearing in the 6th to 14th line of Article 103(B)(ii)(e) and substituting therefor the words “provided that he and any of his associates together are not beneficially interested in 5% or more of the issued shares of any class of such company or of the voting rights thereof or of any third company through which such interest is derived”.~~
- (o) ~~by adding the words “or any of his associates” immediately after the word “Director” in the 5th line of Article 103(B)(ii)(f) and by replacing “.” at the end of Article 103(B)(ii)(f) by “; and/or”.~~
- (p) ~~by adding the following Article 103(B)(ii)(g) immediately after Article 103(B)(ii)(f):~~
- ~~“(g) any contract for the purchase or maintenance for any Director or Directors of insurance against liability.”~~
- (q) ~~by adding the words “or of any of his associates” immediately after the words “meeting)” in the 3rd line and immediately before the word “concerned” in the 11th line of Article 103(B)(iii).~~
- (r) ~~by deleting the words “at least seven days before the date of the general meeting” in the 7th and 8th line of Article 108 and substituting therefor the words “during a period of not less than 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 appointed for the meeting”.~~
- (s) ~~by deleting the word “special” in the 1st line of Article 110 and replacing it with the word “ordinary”.~~
- (t) ~~by deleting the existing Article 166(A) and (B) and substituting therefor the following:~~
- ~~“166. (A) The Directors shall, from time to time, in accordance with the Companies Ordinance, cause to be prepared and to be laid before the general meeting the relevant financial documents required by the Companies Ordinance. The Directors may also cause to be prepared a summary financial report if they think fit, which may be provided to members any/or debenture holders instead of the relevant financial documents in circumstances permitted by Hong Kong Stock Exchange.~~

- (B) ~~Subject to paragraph (C) below, a copy of the relevant financial documents or the summary financial report shall, not less than 21 days before the meeting, be delivered or sent by post to the registered address of every member and debenture holder of the Company, or in the case of a joint holding to the member or debenture holder (as the case may be) whose name stands first in the appropriate register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.~~
- (C) ~~Where a member or debenture holder of the Company has, in accordance with the Companies Ordinance and any rules prescribed by Hong Kong Stock Exchange from time to time, consented to treat the publication of the relevant financial documents and/or the summary financial report on the Company's computer network as discharging the Company's obligation under the Companies Ordinance to send a copy of the relevant financial documents and/or the summary financial report, then subject to compliance with the publication and notification requirement of the Companies Ordinance and any rules prescribed by Hong Kong Stock Exchange from time to time, publication by the Company on the Company's computer network of the relevant financial documents and/or the summary financial report at least 21 days before the date of the meeting shall, in relation to each such member or debenture holder of the Company, be deemed to discharge the Company's obligations under paragraph (B) above.~~
- (D) ~~For the purpose of this Article, "relevant financial documents" and "summary financial report" shall have the meaning ascribed to them in the Companies Ordinance."~~
- (u) by deleting the existing Article 170(A) and substituting therefor the following:-
- ~~"170. (A) Any notice or document to be given or issued under these Articles shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Company under these Articles (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a computer network) whether having physical substance or not may be served or delivered by the Company by any of the following means subject to and to such extent permitted by and in accordance with the Companies Ordinance, the Listing Rules and any applicable laws, rules and regulations:~~
- ~~(i) personally;~~

- (ii) ~~by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a member at his registered address as appearing in the register or in the case of another entitled person (as defined in the Companies Ordinance), to such address as he may provide;~~
- (iii) ~~by delivering or leaving it at such address as aforesaid;~~
- (iv) ~~by advertisement in an English language newspaper and a Chinese language newspaper in Hong Kong in accordance with the Listing Rules;~~
- (v) ~~by transmitting it as an electronic communication to the entitled person at such electronic address as he may have provided; or~~
- (vi) ~~by publishing it on a computer network."~~

(v) ~~by deleting the existing Article 171 and substituting therefor the following:~~

~~"171. Every member of and holder of debentures of the Company or a person who is entitled to receive notice from the Company under the provisions of the Companies Ordinance or these Articles shall register with the Company an address either in Hong Kong or elsewhere and/or an electronic address to which notices can be served upon him and if any such person shall fail to do so, notice may be served on such person by sending the same in any of the manners mentioned to his last known registered address or electronic address, or if there is none, a notice displayed in the registered office of the Company shall be deemed to be well served on him at the time when it is first so displayed."~~

(w) ~~by deleting the existing Article 172 and substituting therefor the following:~~

~~"172. Any notice or document (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:~~

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

- ~~(ii) if not sent by post but delivered or left at a registered address by the Company, shall be deemed to have been served on the day it was so delivered or left;~~
 - ~~(iii) if published by way of a newspaper advertisement, shall be deemed to have been served on the date on which it is advertised in one English language newspaper and one Chinese language newspaper in Hong Kong;~~
 - ~~(iv) if sent as an electronic communication, shall be deemed to have been served at the time when the notice or document is transmitted electronically provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender's control shall not invalidate the effectiveness of the notice or document being served; and~~
 - ~~(v) if published on the Company's computer network, shall be deemed to have been served on the day on which the notice or document is published on the Company's computer network to which the entitled person may have access.~~
- (x) by deleting the words "through the post in a prepaid letter, envelope or wrapper" in the 4th line of Article 173 and substituting therefor the words "in such manner as provided in Article 170(A)".
 - (y) by adding the words "electronic address or" immediately after the words "at the" in the 7th line of Article 173.
 - (z) by adding the words "(including electronic address)" immediately after the word "address" in the 4th line of Article 174.
 - (aa) by deleting the words "by post to, or left at the registered address of any member" in the 1st and 2nd line of Article 175 and substituting therefor the words "in such manner as provided in Article 170(A)".
 - (bb) by adding the words "or made electronically" immediately after the word "printed" in the 2nd line of Article 176.
 - (cc) by deleting the word "paragraph (c) of the proviso to Section 165" in the 4th and 5th line of Article 181(A) and substituting therefor the words "Section 165(2)".
 - (dd) by adding the words "or related company (within the meaning ascribed thereto in Section 165(5) of the Companies Ordinance)" after the word "Company" in the 10th line of Article 181(A).

(ee) ~~by adding the following as a new Article 181(C):~~

- ~~“181(C) The Company may purchase and maintain for any Director, Secretary, officer and auditor of the Company:~~
- ~~(i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and~~
 - ~~(ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.~~

~~For the purpose of this Article 181(C), “related company” means any company that is the Company’s subsidiary or holding company or a subsidiary of that holding company.”~~

~~(Sd.) Feng Guorong~~

~~Feng Guorong
CHAIRMAN~~

THE COMPANIES ORDINANCE (CHAPTER 32)SPECIAL RESOLUTIONOFSHENYIN WANGUO (H.K.) LIMITED(申銀萬國(香港)有限公司)PASSED ON 15TH MAY, 1998

At the Annual General Meeting of Shenyin Wanguo (H.K.) Limited (申銀萬國(香港)有限公司) held on 15th May 1998 at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong, the following Special Resolution was duly passed:-

~~“THAT the authorised share capital of the Company be increased from HK\$500,000,000 to HK\$1,000,000,000 by the creation of an additional 1,000,000,000 ordinary shares of HK\$0.50 each, such new shares ranking pari passu in all respects with the existing shares in the capital of the Company.”~~

(Sd.) Jiang Guofang

Jiang Guofang
CHAIRMAN

No. 29159

編號

(COPY)
COMPANIES ORDINANCE
(CHAPTER 32)
香港法例第 32 章
公司條例
CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME
公司更改名稱
註冊證書

I hereby certify that
本人謹此證明

SHANGHAI INTERNATIONAL (H.K.) LIMITED
(上海萬國(香港)有限公司)

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

SHENYIN WANGUO (H.K.) LIMITED
(申銀萬國(香港)有限公司)

Issued by the undersigned on 19 November 1996.
本證書於一九九六年十一月十九日簽發。

(Sd.) MISS H. CHANG

for Registrar of Companies
Hong Kong
香港公司註冊處處長
(公司註冊主任張巧雯代行)

THE COMPANIES ORDINANCE (CHAPTER 32)SPECIAL RESOLUTION

OF

SHANGHAI INTERNATIONAL (H.K.) LIMITED(上海萬國(香港)有限公司)PASSED ON 8TH NOVEMBER, 1996

At the Annual General Meeting of Shanghai International (H.K.) Limited (上海萬國(香港)有限公司) held on 8th November 1996 at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, 11 Pedder Street, Central, Hong Kong, the following Special Resolution was duly passed:-

THAT the name of the Company be changed

from

“Shanghai International (H.K.) Limited”

(上海萬國(香港)有限公司)

to

“Shenyin Wanguo (H.K.) Limited”

(申銀萬國(香港)有限公司)

(Sd.) Jiang Guofang

Jiang Guofang

CHAIRMAN

THE COMPANIES ORDINANCE (CHAPTER 32)SPECIAL RESOLUTION

OF

SHANGHAI INTERNATIONAL (H.K.) LIMITED(上海萬國(香港)有限公司)PASSED ON 8TH NOVEMBER, 1996

At the Annual General Meeting of Shanghai International (H.K.) Limited (上海萬國(香港)有限公司) held on 8th November 1996 at the Dragon Room, The Hong Kong Bankers Club at 43rd Floor, Gloucester Tower, 11 Pedder Street, Central, Hong Kong, the following Special Resolution was duly passed:-

~~“THAT the Articles of Association of the Company be and are hereby amended by renumbering the existing Article 92 as Article 92(A) and inserting immediately thereafter the following new Article 92(B)~~

~~“Where that shareholder and/or warrant holder is a recognized clearing house within the meaning of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong), it may authorize such person or persons as it thinks fit to act as its representative (or representatives) at any shareholders’ general meeting or any meeting of any class of shareholders and/or warrant holders’ meeting provided that, if more than one person is so authorized, the authorization must specify the number and class of shares and/or warrants in respect of which each such person is so authorized. The person so authorized will be entitled to exercise the same power on behalf of the recognized clearing house as that clearing house (or its nominees) could exercise if it were an individual shareholder and/or warrant holder of the Company.”~~

(Sd.) Jiang Guofang

Jiang Guofang
CHAIRMAN

THE COMPANIES ORDINANCE (CHAPTER 32)ORDINARY RESOLUTIONS

OF

SHANGHAI INTERNATIONAL (H.K.) LIMITEDPASSED ON 11TH AUGUST, 1993

At an Extraordinary General Meeting of Shareholders of the above Company on 11th August, 1993 at The Hong Kong Overseas Bankers Club at 43/F., Gloucester Tower, 11 Pedder Street, Hong Kong at 9:00 am, the following resolutions were duly passed as Ordinary Resolutions :-

1. ~~THAT the authorized share capital of the Company be and is hereby increased from HK\$100,000,000 to HK\$500,000,000 by the creation of an additional 800,000,000 ordinary shares of HK\$0.50 each, such new shares ranking pari passu in all respects with the existing shares in the capital of the Company."~~
2. THAT
 - (a) ~~the issue by way of rights of 237,968,535 new shares of HK\$0.50 each in the capital of the company ("Rights Shares") together with the warrants referred to in sub-paragraph (b) of this Resolution and otherwise pursuant to and in accordance with the terms and conditions set out in the letter from the board of the Company contained in a circular dated 20th July, 1993 ("Circular") despatched to the shareholders of the Company, a copy of which has been produced to the meeting marked "A" and signed for the purpose of identification by the Chairman hereof, be and is hereby approved and the directors of the Company be and are hereby authorized to allot and issue 237,968,535 Rights Shares pursuant to or in connection with such rights issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing shareholders of the Company;~~

- (b) ~~the directors of the Company be and are hereby authorized to create and issue warrants to subscribe at any time on or after 15th September, 1993 and on or before 31st December, 1995, at the initial subscription price of HK\$1.88 per share for shares in the capital of the Company subject to the terms and conditions set out in the warrant instrument (a copy of a draft of which marked "B" has been produced to the Meeting and signed for the purpose of identification by the Chairman hereof) and to issue the same to and among the persons who are the first registered holders of the fully paid Rights Shares in the proportion of three warrants carrying the rights to subscribe HK\$1.88 for shares in the capital of the Company for every eleven Rights Shares held; and~~
- (c) ~~to allot and issue new shares in the capital of the Company arising from the exercise of subscription rights under such warrants or any of them."~~

(Sd.) Sang Hon Keong

Sang Hon Keong
Secretary

Dated the 11th day of August, 1993

No. 29159

編號

(COPY)

CERTIFICATE OF INCORPORATION

公司更改名稱

ON CHANGE OF NAME

註冊證書

I hereby certify that

本人茲證明

ONG HOLDINGS (H.K.) LIMITED

(王集團(香港)有限公司)

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

SHANGHAI INTERNATIONAL (H.K.) LIMITED

(上海萬國(香港)有限公司)

Given under my hand this Fifth day of August

簽署於一九九三年八月五日。

One Thousand Nine Hundred and Ninety Three.

(Sd.) MRS. R. CHUN

*P. Registrar of Companies**Hong Kong*

香港公司註冊處處長

(公司註冊主任秦梁素芳代行)

THE COMPANIES ORDINANCE
(CHAPTER 32)

SPECIAL RESOLUTION

OF

ONG HOLDINGS (H.K.) LIMITED
(王集團(香港)有限公司)

Passed 19th July, 1993

At an Extraordinary General Meeting of the Company duly convened and held on 19th July, 1993 the following resolution was duly passed as Special Resolution:-

SPECIAL RESOLUTION

“THAT the name of the Company be changed from “Ong Holdings (H.K.) Limited (王集團(香港)有限公司)” to “Shanghai International (H.K.) Limited (上海萬國(香港)有限公司)”

(Sd.) Guan Jin Sheng

Chairman

THE COMPANIES ORDINANCE (CHAPTER 32)ORDINARY RESOLUTION

OF

ONG HOLDINGS (H.K.) LIMITEDPASSED ON 9TH JUNE, 1993

At an Extraordinary General Meeting of the Shareholders of the above Company on 9th June, 1993 at The Hong Kong Overseas Bankers Club at 43/F., Gloucester Tower, 11 Pedder Street, Central, Hong Kong at 9:30 am, the following resolution was duly passed as Ordinary Resolution :-

~~THAT the authorised share capital of the Company be increased from \$50,000,000 to \$100,000,000 by the creation of 100,000,000 shares of \$0.5 each, the new shares ranking pari passu with the existing shares on all respects.~~

(Sd.) Sang Hon Keong

Sang Hon Keong
Secretary

Dated the 9th day of June, 1993

THE COMPANIES ORDINANCE
(CHAPTER 32)

SPECIAL RESOLUTION

of

ONG HOLDINGS (H.K.) LIMITED
(王集團(香港)有限公司)

Passed 8th December, 1990

At an Extraordinary General Meeting of the Company duly convened and held on 8th December, 1990 the following resolution was duly passed as a Special Resolution :-

SPECIAL RESOLUTION

~~“THAT the regulations contained in the document marked “A” produced to this meeting and for the purpose of identification signed by the Chairman thereof be and they are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company.”~~

~~(Sd.) Ong Chin Chio
Chairman~~

THE COMPANIES ORDINANCE
(CHAPTER 32)

ORDINARY RESOLUTION

of

ONG HOLDINGS (H.K.) LIMITED
(王集團(香港)有限公司)

Passed 8th December, 1990

At an Extraordinary General Meeting of the Company duly convened and held on 8th December, 1990 the following resolution was duly passed as an Ordinary Resolution :-

ORDINARY RESOLUTION

~~“THAT each issued and unissued share of \$1.00 of the Company (“Existing Share”) be and is hereby sub-divided into two shares of \$0.50 each (“Shares”) with effect from the close of business on 8th December, 1990 and the Directors of the Company be authorised to issue new share certificates in respect of the Shares to those persons entitled thereto.”~~

(Sd.) Ong Chin Chio
Chairman

THE COMPANIES ORDINANCE

(CHAPTER 32 OF THE REVISED EDITION 1975)

ORDINARY RESOLUTION

OF

ONG HOLDINGS (H.K.) LIMITED

Passed on: 28th May, 1984

At an Annual General Meeting of the Members of the above Company, duly convened and held at the Company's Conference Room, 16/F., Admiralty Centre, Tower I, 18 Harcourt Road, Hong Kong on 28th May, 1984 at 12:00 noon, the following resolution was duly passed as an Ordinary Resolution:

ORDINARY RESOLUTION

"THAT it is desirable to capitalize the sum of \$3,025,000.00 being part of the amount currently standing to the credit of the General Reserve Account and accordingly that such sum be set free for distribution amongst the Shareholders on the Register of Members on 28th May, 1984 in the proportion in which they hold shares of the Company respectively on that day, on the condition that the same be not paid in cash but be applied in paying up in full at par 3,025,000 of the unissued Ordinary Shares of \$1 each in the capital of the Company to be allotted and distributed credited as fully paid up to and amongst the Shareholders in the proportion of one new share for every ten Ordinary Shares then held, and that such new shares shall rank for all purposes pari passu with the issued Ordinary Shares of the Company save that they shall not rank for the Final Dividend in respect of the year ending 31st December, 1983. No fractional shares will be issued but that the new shares representing fractions will be aggregated and sold for the benefit of the Company."

(Sd.) ONG CHIN CHIO

ONG CHIN CHIO

Chairman

Dated Hong Kong, 28th May, 1984.

THE COMPANIES ORDINANCE

(CHAPTER 32 OF THE REVISED EDITION 1975)

ORDINARY RESOLUTION

OF

ONG HOLDINGS (H.K.) LIMITED

Passed on: October 3, 1980

At an Extraordinary General Meeting of the Members of the above Company, duly convened and held at Rooms 1015-1018, Hutchison House, Harcourt Road, Hong Kong on October 3, 1980 at 4:00 p.m. the following resolution was duly passed as an Ordinary Resolution:

ORDINARY RESOLUTION

"THAT it is desirable to capitalize the sum of \$2,750,000.00 (being as to \$148,952.73 the balance of the amount currently standing to the credit of the Capital Reserve Account; and as to \$2,500,000.00 the balance of the amount currently standing to the credit of the General Reserve Account; and as to \$101,047.27 part of the amount currently standing to the credit of the Retained Profits) and accordingly that such sum be set free for distribution amongst the Shareholders on the Register of Members on October 3, 1980 in the proportion in which they hold shares of the Company respectively on that day, on the condition that the same be not paid in cash but be applied in paying up in full at par 2,750,000 of the unissued Ordinary Shares of \$1 each in the capital of the Company to be allotted and distributed credited as fully paid up to and amongst the Shareholders in the proportion of one new share for every ten Ordinary Shares then held, and that such new shares shall rank for all purposes pari passu with the issued Ordinary Shares of the Company save that they shall not rank for the Interim Dividend in respect of the year ending December 31, 1980. No fractional shares will be issued but that the new shares representing fractions will be sold and aggregated for the benefit of the Company."

(Sd.) WANG MIN SHENG
Chairman of Meeting

Dated Hong Kong, October 3, 1980.

THE COMPANIES ORDINANCE

(CHAPTER 32 OF THE REVISED EDITION 1975)

ORDINARY AND SPECIAL RESOLUTIONS

OF

ONG HOLDINGS (H.K.) LIMITED

Passed on 26th May, 1978

At an Extraordinary General Meeting of the members of the above Company, duly convened and held at Pacifica Room, 4th Floor, Furama Hotel, Hong Kong on Friday 26th May, 1978 at 12:05 p.m., the following resolutions were duly passed as Ordinary and Special Resolutions:-

ORDINARY RESOLUTION

"That the sum of HK\$2,500,000.00 being part of the amount standing to the credit of the Capital Reserve Account be capitalised and applied in paying up in full 2,500,000 unissued ordinary shares of HK\$1.00 each in the Capital of the Company and that such shares be credited as fully paid up and distributed amongst the shareholders registered at the close of business on 26th May, 1978 in the proportion of one new share for every ten shares then held, and that such shares will rank for all purposes pari passu with the existing shares of the Company. No fractional shares will be issued but that the new shares representing fractions will be sold and aggregated for the benefit of the Company."

SPECIAL RESOLUTION

"That the Articles of Association of the Company be altered by deleting Article 76 and 77 thereof together with the title and marginal notes and substituting therefor the following:

PRESIDENT, MANAGING DIRECTOR, OTHER OFFICERS

76. The Directors may from time to time appoint one or more of their body to the office of President or Managing Director or to any other office by whatever name called for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding office as President or Managing Director, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.
77. The Directors may entrust to and confer upon the President, a Managing Director or any other officer any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers."

(Sd.) ONG CHIN CHIO
ONG CHIN CHIO
Chairman

Hong Kong, 26th May 1978.

No. 29159

(COPY)

CERTIFICATE OF INCORPORATION ON
CHANGE OF NAME

WHEREAS Sino Finance Limited (信和財務有限公司) was incorporated as a limited company under the Companies Ordinance on the Eighteenth day of August, 1972;

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor given on his behalf under delegated powers, it changed its name to Sino Securities Limited (信和証券有限公司) on the Thirtieth day of September, 1972;

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor given on his behalf under delegated powers, it changed its name to Fraternal Development Limited (偉大發展有限公司) on the Thirteenth day of February, 1973;

AND WHEREAS by a further special resolution of the Company and with the approval of the Registrar of Companies, ~~it~~ has changed its name to Ong Holdings (H.K.) Limited (王集團(香港)有限公司);

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of Ong Holdings (H.K.) Limited (王集團(香港)有限公司).

GIVEN under my hand this Eighteenth day of November One Thousand Nine Hundred and Seventy-seven.

(Sd.) Leslie FOO
*for Registrar of Companies,
Hong Kong.*

THE COMPANIES ORDINANCE

(CHAPTER 32 OF THE REVISED EDITION 1975)

SPECIAL AND ORDINARY RESOLUTIONS

OF

FRATERNAL DEVELOPMENT LIMITED

Passed on: 24th October, 1977

At an Extraordinary General Meeting of the Members of the above Company, duly convened and held at Rooms 1015-1018, Hutchison House, Harcourt Road, Hong Kong on 24th October, 1977 at 10:00 a.m. the following resolutions were duly passed as Special and Ordinary Resolutions:-

SPECIAL RESOLUTIONS

- "A. That the capital of the Company be reduced from \$20,000,000 divided into 20,000,000 shares of \$1.00 each (made up of 8,000,000 issued and fully-paid shares of \$1.00 each and 12,000,000 unissued shares of \$1.00 each) to \$16,000,000 divided into and made up of 8,000,000 issued and fully-paid shares of \$0.50 each and 12,000,000 unissued shares of \$1.00 each and that such reduction be effected in the following manner:-
- (1) By cancelling paid-up capital which has been lost or is unrepresented by available assets to the extent of \$0.40 per share upon each of the said 8,000,000 issued and fully-paid shares.
 - (2) By reducing to the holders of the said issued and fully-paid 8,000,000 shares paid-up capital to the extent of \$0.10 per share.
 - (3) By reducing the nominal amount of each of the said 8,000,000 issued and fully-paid shares from \$1.00 to \$0.50.
- B. That forthwith upon such reduction of capital taking effect:-
- (1) The 8,000,000 issued and fully-paid shares of \$0.50 each be consolidated in such manner that every two of the said shares shall constitute one \$1.00 share upon which the sum of \$1.00 shall be credited as fully-paid.
 - (2) The capital of the Company be increased to its former capital of \$20,000,000.00 by the creation of 4,000,000 new shares of \$1.00 each.

- C. ~~That the name of the Company be changed from Fraternal Development Limited (偉夫發展有限公司) to Ong Holdings (H.K.) Limited (王集團(香港)有限公司).~~
- D. ~~That a mandate be given to the Board of Directors to issue further 10,300,000 shares of \$1.00 each in the share capital of the Company by private placement to such persons and for such consideration as the Board of Directors may think fit.~~

ORDINARY RESOLUTIONS

- E. ~~That an Agreement dated the 9th September, 1977 made between the persons and corporations whose names are set out in the first column of the First Schedule thereto of the one part and the Company of the other part whereby the Company acquired 10,700,000 shares of \$1.00 each fully paid being the entire issued share capital of Ong Holdings (HK.) Limited (a private company incorporated in Hong Kong under the Companies Ordinance) for the sum of \$10,700,000.00 in cash to be satisfied by the issue to such Vendors of the number of shares of \$1.00 each in the capital of the Company set opposite their respective names in the fourth column of the said First Schedule credited as fully paid be approved.~~
- F. ~~That the share capital of the Company be increased to \$50,000,000.00 by the creation of additional 30,000,000 shares of \$1.00 each to rank pari passu in all respects with the existing shares of the Company.~~
- G. ~~That a general mandate be and is hereby unconditionally given to the Board of Directors to issue and dispose of an additional 2,500,000 unissued shares of \$1.00 each in the share capital of the Company to such persons and for such consideration as the Board of Directors may think fit.~~
- H. ~~That Mr. Wang Min Sheng be appointed an additional director of the Company.~~

(Sd.) ONG CHIN CHIO
Chairman of the Meeting

Dated Hong Kong, 24th October, 1977.

FRATERNAL DEVELOPMENT LIMITED

SPECIAL RESOLUTION

Passed on the 15th February, 1973

~~At an Extraordinary General Meeting of the Members of the Company, duly convened and held at the registered office of the Company in the Colony of Hong Kong on the 15th February, 1973, at 11:00 a.m., the following resolution was duly passed as a Special Resolution:-~~

~~“That the Company be converted into a public company and that the regulations contained in the printed document to the meeting, and for the purpose of indentification subscribed by the chairman thereof, be approved and adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, all the existing articles thereof.”~~

(Sd.) Gilbert Lui Wing Kwong
Chairman of Meeting

No. 29159

(COPY)

CERTIFICATE OF INCORPORATION ON
CHANGE OF NAME

WHEREAS Sino Finance Limited (信和財務有限公司) was incorporated as a limited company under the Companies Ordinance on the Eighteenth day of August, 1972;

AND WHEREAS by special resolution of the Company and with the approval of His Excellency the Governor given on his behalf under delegated powers, it changed its name to Sino Securities Limited (信和証券有限公司) on the Thirtieth day of September, 1972;

AND WHEREAS by a further special resolution of the Company and with the approval of His Excellency the Governor now given by me on his behalf under delegated powers, it has changed its name to Fraternal Development Limited (偉大發展有限公司);

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of FRATERNAL DEVELOPMENT LIMITED (偉大發展有限公司).

GIVEN under my hand this Thirteenth day of February One Thousand Nine Hundred and Seventy-three.

(Sd.) J. L. G. McLean
Assistant Registrar General
Hong Kong.

~~THE COMPANIES ORDINANCE (CHAPTER 32)~~

~~SPECIAL RESOLUTION~~~~OF~~~~SINO SECURITIES LIMITED~~

~~At an Extraordinary General Meeting of the members of the abovementioned Company duly convened and held at its registered office, on 9th February, 1973, at 11:00 a.m., the following resolution was duly passed:-~~

~~SPECIAL RESOLUTION~~

~~"That the name of the Company be changed from "SINO SECURITIES LIMITED (信和証券有限公司)" to "FRATERNAL DEVELOPMENT LIMITED (偉夫發展有限公司)".~~

~~(Sd.) Gilbert Lui Wing Kwong
Chairman of Meeting~~

~~Dated Hong Kong, 9th February, 1973~~

No. 29159

(COPY)

CERTIFICATE OF INCORPORATION ON
CHANGE OF NAME

WHEREAS Sino Finance Limited (信和財務有限公司) was incorporated in Hong Kong as a limited company under the Companies Ordinance on the Eighteenth day of August, 1972;

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

NOW THEREFORE I hereby certify that the Company is a limited company incorporated under the name of SINO SECURITIES LIMITED (信和証券有限公司).

GIVEN under my hand this Thirtieth day of September One Thousand Nine Hundred and Seventy-two.

(Sd.) P. Jacobs
Assistant Registrar General
Hong Kong.

THE COMPANIES ORDINANCE

(CHAPTER 32 OF THE REVISED EDITION 1964)

SPECIAL RESOLUTION

OF

SINO FINANCE LIMITED

Passed on: 16th September, 1972.

At an Extraordinary General Meeting of the members of the above-named Company duly convened and held at Rooms 608-9, Takshing House, Des Voeux Road, Central, Hong Kong on 16th September, 1972 at 10:00 a.m., the following resolution was passed as Special Resolution:-

RESOLVED: That the name of the Company "SINO FINANCE LIMITED (信和財務有限公司)" be changed to "SINO SECURITIES LIMITED (信和証券有限公司)."

(Sd.) PATRICK CHIN
Chairman of the Meeting

Dated Hong Kong, 16th September, 1972.

No. 29159

(COPY)

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

SINO FINANCE LIMITED

(信和財務有限公司)

is this day incorporated in Hong Kong under the Companies Ordinance, and that this Company is limited.

Given under my hand this Eighteenth day of August, One Thousand Nine Hundred and Seventy-two.

(Sd.) R. Kwan
*For Registrar of Companies,
Hong Kong.*

THE COMPANIES ORDINANCE, (CHAPTER 32)

Company Limited by Shares

**NEW MEMORANDUM OF ASSOCIATION
OF**
**SHENYIN WANGUO (H.K.) LIMITED
(申銀萬國(香港)有限公司)**

**Formerly “(SHANGHAI INTERNATIONAL (H.K.) LIMITED
(上海萬國(香港)有限公司))”**

**Formerly “(ONG HOLDINGS (H.K.) LIMITED
(王集團(香港)有限公司))”**

First:- The name of the Company is “SHENYIN WANGUO (H.K.) LIMITED (申銀萬國(香港)有限公司).

Second:- The registered office of the Company will be situate in the Colony of Hong Kong.

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

- | | | |
|-----|---|--|
| (1) | To carry on business as capitalists, financiers, industrialists, concessionaries and general merchants and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations. | Financiers:
capitalists;
etc. |
| (2) | To transact business as capitalist, promoters, and financial and monetary agents both in Hong Kong elsewhere. | Capitalists. |
| (3) | To act, for any purpose and in any matter or thing whatsoever, as nominees, trustees, agents or broker for any person, firm, company, Government, corporation, local or other authority, body-politic, institution, organisation or body or body of persons. | To act as
nominees,
trustee, or
agent. |
| (4) | Without prejudice to the generality of the foregoing, to act as nominees, trustee or agents to receive, pay, lend, transmit, collect or invest money and to purchase, sell, improve, develop and manage any real or personal property, including business concern or undertaking for and on behalf of any person, firm, company, government, corporation, local or other authority, body-politic, institution, organization or body of persons. | To act as
nominee:
for the
receiving
of money;
etc. |
| (5) | To undertake and execute, either alone or jointly with others, and either in the name of the Company or through or by means of a syndic or officer of or appointed by the Company, the office of manager, and to transact all kinds of business arising in connection therewith. | |
| (6) | To act as treasurer, comptroller or registrar, and to accept any other office of trust or confidence, and to perform and discharge the duties and obligations of and incident to any such office. | |

- (7) ~~To manage, supervise or control the business, property or operation of any person, firm, company, institution, organization or body of persons and for any such purpose to appoint and remunerate lawyers, accountants, or other advisers or agents.~~
- (8) ~~To carry on the business of buying, selling and dealing in bullion and specie; the acquiring, holding, issuing on commission, underwriting and dealing with stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds, the acquisition, holding and dealing with movable and immovable property of all kinds; the negotiating of loans and advances; the receiving of money and valuables on deposit, or for safe custody, or otherwise; the issuance of deposit or other receipts or acknowledgments either in a negotiable or transferable form or otherwise in respect of moneys deposited; the collecting and transmitting of money and securities including all merchant banking business; and the managing of property.~~
- (9) ~~To buy, make advances on, or sell all descriptions of freehold, leasehold, or other properties, and all descriptions of produce or merchandise, and stocks, shares, bonds, mortgages, debentures, or obligations.~~
- (10) ~~To transact on commission the general business of a land agent.~~
- (11) ~~To carry on the business of Building and General Constructors in Hong Kong or elsewhere and to act as furnishers, designers, furniture manufacturers, building interior decorators and planning consultants in the Colony of Hong Kong or elsewhere.~~
- (12) ~~To carry on in all their respective branches in Hong Kong or elsewhere all or any of the businesses of builders masonry and general construction contractors and hauliers and among other things to construct, execute, carry out, equip, improve, work and advertise buildings and erections of every kind.~~
- (13) ~~To prosecute and execute directly, or by contributions or other assistance, any such or any other works, undertakings, projects, or enterprises, in which, or for the prosecution whereof, or on the security whereof or of any profits or emoluments derivable therefrom, the company shall have invested money, embarked capital, or engaged its credit.~~
- (14) ~~To receive monies on deposit, current account, or otherwise, with or without allowance of interest, and to receive on deposit title deeds and other securities.~~
- (15) ~~To negotiate loans of every description.~~ Loans:
- (16) ~~To re-issue any stock or shares or other securities with or without the guarantee of the company.~~ To re-issue securities:
- (17) ~~To procure capital for any company in any country, formed for the purpose of carrying into effect any object connected with land, such as companies formed for the purposes of agriculture, land credit, and various dealings in real estate, and to issue the capital of such companies, and to subscribe for purchase, dispose of, and otherwise deal in the shares, bonds, and securities of such companies, or any other securities on real estate.~~ To procure capital for companies:
- (18) ~~To act as managers or to direct the management of state domains, of the property and estates of communes, corporations, foundations, or private persons, either in the capacity of stewards or receivers, or in that of lessees or tenants, with power of advancing at a discount all or any of the accruing rents, royalties, or incomings.~~ Managers of property

- (19) ~~To invest the capital of the company in and to deal with the shares, stocks, bonds debentures, obligations, or other securities of any company or association formed for the establishment or working in any part of the world of railways, canals, gasworks, waterworks, docks, telegraphs, or other undertakings, and to sell, dispose of, or repurchase any such securities.~~ To invest
- (20) ~~To made advances upon, hold in trust, issue on commission, sell, or dispose of, any of the securities before enumerated, or to act as agent for any of the above or the like purposes.~~ To deal with securities.
- (21) ~~To take over or enter into contracts, Hong Kong or foreign, and to execute the same, or to let the same to sub-contractors, also to become surety for the due execution by any contractors of the works, whether Hong Kong or foreign, contracted for by them; and to indemnify any person or persons who may be nominated by the company to undertake any such suretyships.~~ To take contracts
- (22) ~~To take concessions of or to lease railways or other undertakings, whether Hong Kong or foreign, and to construct and carry out the same, or to transfer them wholly or partly to other companies or parties, and also to work railways and other undertakings Hong Kong or foreign so far as the same are not state monopolies.~~ To take concessions
- (23) ~~To purchase, advance money upon, and otherwise deal with reversionary, contingent, and other interests in real and personal property.~~ To deal in reversionary interests
- (24) ~~To finance or assist in financing the sale of goods, articles or commodities of all and every kind or description by way of hire purchase or deferred payment, or similar transactions, and to institute, enter into, carry on, subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever, to acquire and discount hire purchase or other agreements or any rights thereunder (whether proprietary or contractual) and generally to carry on business and to act as bankers, financiers, traders, commission agents, or in any other capacity in any part of the world, and to import, export, buy, sell, barter, exchange, pledge, made advances upon or otherwise deal in goods, produce, articles and merchandise.~~ Hire purchase finance
- (25) ~~To enter into arrangements with companies, firms and persons for promoting and increasing the manufacture, sale and purchase and maintenance of goods, articles or commodities of all and every kind and description, either by buying, selling, letting on hire, hire purchase or easy payment systems, or by financing or assisting such other companies, firms or persons to do all or any of such last-mentioned acts, transactions, and in such manner as may be necessary or expedient and in connection with or for any of these purposes, to purchase agreements, lend money, give guarantees or security or otherwise finance or assist all or such purposes on such terms and in such manner as may be desirable or expedient.~~
- (26) ~~To guarantee the payment or performance of any debts, contracts or obligations, or become security for any person, firm or company, for any purpose whatsoever, and to act as agents for the collection, receipt or payment of money, and generally to act as agents for and render services to customers and others, and generally to give guarantees and indemnities.~~
- (27) ~~To insure or guarantee the payment of advances, credits, bills of exchange and other commercial obligations as well as the fulfilment of contracts and other trading and commercial transactions of every description, whether at home or abroad, and to indemnify any person against the same, and to guarantee the payment of money secured by or payable under or in respect of any debentures, debenture stock, bond, mortgage, charge, security, contract or obligation of any person, persons or corporations, or any authority, supreme, municipal, local or otherwise. But not to carry on the business of life, fire or marine insurance.~~

- (28) ~~To carry on the business of importers, exporters, commission agents and general traders, and to buy, sell, import, export, manipulate and prepare for market, and deal in goods and merchandise of all descriptions, both wholesale and retail, and to transact every kind of agency business and to undertake the business of manufacturers' representatives.~~
- (29) ~~To carry on all or any of the business of silk, rayon and cotton spinners, cloth manufacturers, flax, hemp, and jute spinners, linen manufacturers, silk, rayon, flax, hemp, jute and wool merchants, wool combers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers, printers and dyers, and makers of vitriol, bleaching and dyeing materials, and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances, and to weave or otherwise manufacture, import, export, buy, sell and deal in silk, rayon, and other chemical fibres, linen, cloth and textiles of all kinds and in other goods and fabrics, whether textile, felted, netted, or looped, and to establish factories or other works necessary or convenient for the purposes of the Company, and to supply power.~~
- (30) ~~To establish, own, maintain and operate factories of all descriptions and kinds.~~
- (31) ~~To carry on any other businesses, which may seem to the Company capable of being conveniently carried on in connection with the businesses of the Company, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.~~ To carry on other businesses.
- (32) ~~To acquire, and undertake the whole or any part of the business, property, and liabilities of any person, firm or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.~~ To purchase other businesses.
- (33) ~~To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.~~ To enter into partnership, etc.
- (34) ~~To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.~~ To take shares in other companies.
- (35) ~~To enter into any arrangement with any governments or authorities, supreme, municipal, local or otherwise, that may seem conducive to the Company's objects, or any of them, and to obtain from any such government, authority, any rights, privileges, and concessions which the Company may think it desirable to obtain, and to carry out, exercise, and comply with any such arrangements, rights, privileges and concessions.~~ To make arrangements with authorities.
- (36) ~~To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, or conveniences calculated to benefit employees or ex-employees of the Company or the dependants or connections of such persons, and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general or useful object.~~ To benefit employees, etc.
- (37) ~~To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purposes which may seem directly or indirectly calculated to benefit this Company.~~ To promote companies.

- (38) ~~To purchase for investment or resale, and to traffic in land and house and other property of any tenure and any interest therein, and to create, sell and deal in ground rents, and to make advances upon the security of land or house, or other property, or any interest therein, and generally to deal in, traffic by way of sale, lease, exchange, or otherwise with land and house property and any other property whether real or personal.~~
- (39) ~~To develop or redevelop and turn to account any land acquired by or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building, and by planting, paving, draining, farming, cultivating, letting in building lease or building agreement, and by advancing money and paying compensations to and entering into contracts and arrangements of all kinds with builders, tenants, and others and to take all or any necessary legal proceedings relation thereto or in connection therewith, and to join up with any other person or company in doing any of these things.~~
- (40) ~~To hire, purchase, erect, or otherwise acquire godown or godowns for any of the purposes of the Company and to carry on the business of godown-keepers, or warehousemen.~~
- (41) ~~To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.~~
- (42) ~~To advance, deposit or lend money, securities and property to or with such persons and on such terms as may seem expedient and either with or without security, and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts of any such persons.~~
- (43) ~~To guarantee or become liable for the payment of money or for the performance of any obligation.~~
- (44) ~~To transact all kinds of agency business.~~
- (45) ~~To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock, (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of and obligation undertaken by the Company or any other person or company as the case may be.~~
- (46) ~~To remunerate any person or company for service rendered, or to be rendered, in the conduct of its business.~~
- (47) ~~To draw, make, accept, indorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.~~
- (48) ~~To discount, sell and deal in bills, bonds, notes, warrants, coupons, drafts and other negotiable or transferable securities or documents.~~
- (49) ~~To undertake and execute any trusts the undertaking whereof may seem desirable, and also to undertake the office of executors, administrator, treasurer or registrar, and to keep for any company, government, authority or body any register relating to any stocks, funds, shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.~~

- (50) ~~To sell or dispose of the undertaking of the Company or any part thereof, for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.~~ Sale of undertaking.
- (51) ~~To obtain any provisional order or ordinance for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any legislation, proposals, proceeding, schemes or applications whether of a like nature to those previously indicated in this paragraph or not which may seem calculated directly or indirectly to prejudice the Company's interest.~~ To obtain order or ordinance.
- (52) ~~To procure the Company to be registered or recognized in any country or place outside Hong Kong.~~ Registration outside Hong Kong.
- (53) ~~To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company.~~ To sell, & c.
- (54) ~~To purchase, or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with property and rights of all kinds, and in particular mortgages, debentures, produces, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, book debts, business concerns and undertakings and claims, privileges and choses in action of all kinds.~~ To purchase, sell, & c.
- (55) ~~To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence, and to avert or minimise financial disturbances which might affect the Company.~~ To uphold credit of company.
- (56) ~~To establish branches, agencies and/or local boards in any place in Hong Kong and elsewhere abroad as the Company may from time to time think fit and the same to regulate; direct and discontinue, dispose of, or otherwise deal with as may seem expedient.~~ To establish branches.
- (57) ~~To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with other or others.~~ To do any of the above things in any part of the world.
- (58) ~~To do all such things as are incidental or conducive to the attainment of the above objects or any of them.~~ General.

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

~~Fourth:- The liability of the members of the Company is limited.~~

~~Fifth:- The capital of the Company is HK\$1,000,000,000.00 divided into 2,000,000,000 shares of HK\$0.50 each.~~ Capital of the Company.

~~Sixth:- The capital of the Company may be increased, and any of the original shares and any new shares, from time to time to be created, may, from time to time, be divided into such classes with such preferential, deferred, or special rights, privileges or conditions and other special incidents as may be prescribed or determined upon by or in accordance with the Articles of Association and Regulation of the Company for the time being or otherwise.~~ Increase of Capital, & c.

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

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
<p>(Sd.) MOK WING SUM Flat 815, Pak Suet House, Choi Hung Estate, Kowloon, Hong Kong. Merchant</p>	1
<p>(Sd.) PATRICK CHIN KIM HO 1, Tank Street, 1st floor, Hong Kong. Merchant</p>	1
<p>Total Number of Shares Taken...</p>	2

Dated the 16th day of August, 1972.

WITNESS to the above signatures:-

(Sd.) David Lui Wing Yiu
Accountant
Hong Kong

THE COMPANIES ORDINANCE (CHAPTER 62232)

Company Limited by Shares

NEW ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 8th December, 1990[●], 2022)

OF

SHENWAN HONGYUAN (H.K.) LIMITED

(申萬宏源(香港)有限公司)

Formerly “(SHENYIN WANGUO (H.K.) LIMITED

(申銀萬國(香港)有限公司)”

Formerly “(SHANGHAI INTERNATIONAL (H.K.) LIMITED

(上海萬國(香港)有限公司)”

Formerly “(ONG HOLDINGS (H.K.) LIMITED

(王集團(香港)有限公司)”

Table A**Companies (Model Articles) Notice (Chapter 622H)**

1. The regulations contained in ~~Table A in the First Schedule 1~~ to the Companies Ordinance (Model Articles) Notice (Chapter 622H) shall not apply to the Company.

Interpretation

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

~~“associate”, in relation to any Director, has shall have~~ the meaning ascribed to it under the Listing Rules;

“associated company” shall mean any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company;

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

“business day” shall mean any day on which the Hong Kong Stock Exchange is open for business of dealing in securities;

“call” shall include any instalment of a call;

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

“connected entity” shall have the same meaning as that for “an entity connected with a director or former director of a company” set out in Section 486(1) of the Ordinance;

“close associate” shall have the same meaning ascribed to it under the Listing Rules;

“CSRC” shall mean the China Securities Regulatory Commission;

“Director(s)” shall mean the director(s) of the Company;

“dividend” shall include scrip dividends, distributions in specie or in kind, capital distributions and capitalisation issues, if not inconsistent with the subject or context;

“dollars” shall mean dollars in the lawful currency of Hong Kong;

“Group” shall mean the Company and its subsidiaries from time to time;

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

“Hong Kong Stock Exchange” ~~means~~ shall mean The Stock Exchange of Hong Kong Limited;

“hybrid meeting” shall mean a general meeting held and conducted by (i) physical attendance by members and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by members and/or proxies by means of electronic facilities;

“Listing Rules” shall mean The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time;

“Mainland China” shall mean the People’s Republic of China excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan region;

“Meeting Location” shall have the meaning given to it in Article 78A;

“month” shall mean a calendar month;

“physical meeting” shall mean a general meeting held and conducted by physical attendance and participation by members and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations;

“Principal Meeting Place” shall have the meaning given to it in Article 71;

“reporting documents” shall have the same meaning as that set out in Section 357(2) of the Ordinance;

“RMB” shall mean Renminbi, the lawful currency of the People’s Republic of China;

“seal” shall mean the common seal from time to time of the Company and includes, unless the context otherwise requires, any official seal that the Company may have as permitted by these Articles and the Ordinance;

“Secretary” shall mean the person or corporation for the time being performing the duties of that office;

~~“share” shall mean share in the capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied;~~

“shareholders” or “members” shall mean the duly registered holders from time to time of the shares in the capital of the Company;

“the Board” shall mean the Directors from time to time of the Company or (as the context may require) the majority of Directors present and voting at a meeting of the Directors;

“the Chairman” shall mean the Chairman presiding at any meeting of members or of the Board;

~~“the Companies Ordinance” or “the Ordinance” shall mean the Companies Ordinance (Chapter 32622 of the laws of Hong Kong), any subsidiary legislation providing relevant administrative, technical and procedural matters for implementation of the Ordinance, and any amendments thereto or re-enactment thereof for the time being in force and includes every other ordinance incorporated therewith or substituted therefor and in the case of any such substitution the references in these Articles to the provisions of the Ordinance shall be read as references to the provisions substituted therefor in the new Ordinance;~~

“the Company” or “this Company” shall mean SHENYIN WANGUOSHENWAN HONGYUAN (H.K.) LIMITED (申銀萬國申萬宏源(香港)有限公司);

“the register” shall mean the register of members and includes any branch register to be kept pursuant to the provisions of the Companies Ordinance;

“these Articles” or “these presents” shall mean these Articles of Association in their present form and all supplementary, amended or substituted articles for the time being in force;

“writing” or “printing” shall include printing, lithograph, xerography, photography or other modes of representing or reproducing words in a permanent visible form or, to the extent permitted by and in accordance with the Companies Ordinance and other applicable laws, rules and regulations, any visible substitute for writing (including a communication sent by electronic transmission in any form through any medium), or modes of representing or reproducing words partly in one visible form and partly in another visible form;

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

words importing any gender shall include every gender; and

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

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

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

References to a meeting shall mean a meeting convened and held in any manner permitted by these Articles and any member or Director (including, without limitation, the Chairman of such meeting) attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Companies Ordinance and other applicable laws, rules and regulations and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly.

References to a person’s participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through its duly authorised representative) to speak or communicate, vote (whether by electronic facilities or not), be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Companies Ordinance and other applicable laws, rules and regulations or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly.

References to electronic facilities include, without limitation, online platforms, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise).

Name of the Company

3. The name of the Company is “SHENWAN HONGYUAN (H.K.) LIMITED (申萬宏源(香港)有限公司)”.

Capacity and Powers of the Company

4. The Company has the capacity, rights, powers and privileges of a natural person.
5. (A) Subject to the approval by and registration with the relevant regulatory authorities, the business scope of the Company shall include: securities, futures, asset management or other financial businesses recognised by the relevant regulatory authorities, as well as financial intermediary services, financial information services, financial information technology system services, back office support for specific financial businesses and products and other financial-related businesses approved by the relevant regulatory authorities. Unless otherwise approved by the shareholders of the Company in general meeting passing a special resolution, non-financial related business shall not become a major or main line of business of the Company. Subject to the provisions of the Companies Ordinance, the Company may alter its business scope by the shareholders passing a special resolution.
- (B) The Company shall not directly or indirectly engage in business activities in Mainland China, except for providing back office support or assistance to the Company and other activities approved by the CSRC.
- (C) The Company may establish specialised subsidiaries to carry out financial and financial related business. Where necessary, such subsidiaries of the Company may further establish entities to carry out financial and financial related business subject to all relevant approvals.
6. No addition, alteration, or amendment shall be made to or in these Articles, unless such addition, alteration or amendment have been approved by the shareholders passing a special resolution.

Liability of the Members

7. The liability of the members of the Company is limited.

Share Capital and Modification of Rights

8. Subject to the provisions of the Companies Ordinance, the Company, with the sanction of an ordinary resolution, is at liberty to increase the capital or issue any new shares either in Hong Kong Dollars or in any other currency or partly in one currency and partly in another and with any preferential, deferred, qualified or special rights, privileges or conditions attached thereto. The rights for the time being attached to any shares having preferential, deferred, qualified or special rights, privileges or conditions attached thereto, may be altered or dealt with in accordance with these Articles, but not otherwise.

- ~~9.3A.~~ Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine) and any preference share may, with the sanction of a special resolution, be issued on the terms that it is, or at the option of the Company or the holder thereof is liable, to be redeemed.
- ~~10.3B~~ The Company may exercise any powers conferred or permitted by the Companies Ordinance or any other ordinance from time to time to ~~acquire~~buy back its own shares or to give, directly or indirectly, by means of a loan, guarantee, the provision of security or otherwise, financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company and should the Company ~~acquire~~buy back its own shares neither the Company nor the Board shall be required to select the shares to be ~~acquired~~bought back, rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with any relevant rules or regulations issued by ~~The~~the Hong Kong Stock Exchange of Hong Kong Limited or the Securities and Futures Commission of Hong Kong or any other relevant regulatory authorities from time to time.
- ~~11.4.~~ The Board may (subject to any necessary approval of the members) issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine. ~~Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.~~
12. (A) Without prejudice to any special rights conferred on the holders of any existing shares, the shares in the original or any increased capital of the Company may, subject to the provisions of the Companies Ordinance, be divided into different classes of shares as the Company may from time to time determine.
- 5(A) (B) If at any time the capital is divided into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to the provisions of the Companies Ordinance, be varied or abrogated either with the consent in writing of the holders of not less than ~~three-fourths in nominal value~~seventy-five (75) per cent of the issued total voting rights of holders of the shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be ~~not less than two persons holding present in person (including attendance by electronic means) or representing by proxy together holding at least one-third in nominal value~~ of the ~~issued~~total voting rights of holders of the shares of that class, and at an adjourned meeting or a postponed meeting one person holding shares of that class or his proxy, and that any holder of shares of the class present in person (including attendance by electronic means) or by proxy may demand a poll.

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

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

~~Shares and Increase of Capital~~

~~13.6:~~ The Company shall not give, whether directly or indirectly, and ~~with~~whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company, but nothing in these Articles shall prohibit transactions not prohibited by the Companies Ordinance or any other ordinance from time to time.

~~7:~~ ~~The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.~~

~~14.8:~~ Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Companies Ordinance and of these Articles, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.

~~15.9:~~ ~~The~~Subject to the provisions of the Companies Ordinance, the Company may~~by ordinary resolution, before the issue of any new shares, make any provisions as to the issue and allotment of such shares, but in default of any such determination or so far~~ as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

~~16.10:~~ Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

- ~~17.11~~ Subject to the provisions of the Companies Ordinance (and in particular Section 57B thereof) and of these Articles relating to new shares, all unissued shares in the Company ~~shalt~~shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit, but so that no shares shall be issued at a discount, except in accordance with the provisions of the Companies Ordinance.
12. ~~The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the Companies Ordinance shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued.~~
18. The Company may in connection with the issue of any shares exercise all powers of paying commission conferred or permitted by the Companies Ordinance.
- ~~19.13~~ If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in the Companies Ordinance, and may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of plant.
- ~~20.14~~ 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, except as aforesaid, the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or any other right or claim to or in respect of any share except an absolute right to the entirety thereof of the registered holder.

Register of Members and Share Certificates

- ~~21.15~~(A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Companies Ordinance.
- (B) Subject to the provisions of the Companies Ordinance, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Hong Kong as the Board thinks fit.

~~22.16~~ Every person whose name is entered as a member in the register shall be entitled without payment to receive within ~~two months~~ such period of time as prescribed by the Ordinance or the Listing Rules after allotment or lodgment of a transfer duly stamped, (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming a stock exchange board lot, upon payment, in the case of a transfer, of HK\$2.5 for every certificate after the first or such other sum (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, the maximum amount prescribed by the rules and regulations of such stock exchange) as the Board shall from time to time determine, such number of certificates for shares in stock exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

~~23.17~~ Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company, which for this purpose may be any official seal as permitted by Section ~~73A~~126 of the Ordinance.

~~24.18~~ Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and ~~the amount paid thereon~~ and may otherwise be in such form as the Board may from time to time prescribe. If at any time the share capital of the Company is divided into different classes of shares, every share certificate shall comply with Section ~~57A~~179 of the Ordinance. A share certificate shall relate to only one class of shares.

~~25.19~~(A) The Company shall not be bound to register more than four persons as joint holders of any share.

(B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder hereof 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.

~~26.20~~ If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2.5 (or such other sum as the Board may from time to time determine and as may be permitted by the rules and regulations of such stock exchange) and on such terms and conditions, if any, as to publication of notice, evidence and indemnity, as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity. As regards the loss of share certificate(s), the right to be issued with replacement certificate(s) shall be exercised in compliant with Sections 162 to 169 of the Companies Ordinance.

Lien

~~27.21~~The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member, whether singly or jointly with any other person or persons, for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Board may at any time either generally or in any particular case waive any lien that has arisen, or declare any share to be exempted wholly or partially from the provisions of this Article.

~~28.22~~The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen (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 entitled by reason of such holder's death, bankruptcy or winding-up to the shares.

~~29.23~~The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Calls on Shares

~~30.24~~The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (~~whether on account of the nominal value of the shares or by way of premiums~~) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one lump sum or by instalments.

~~31.25~~Fourteen (14) days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

~~32.26~~A copy of the notice referred to in Article ~~25~~31 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

- ~~33.27~~In addition to the giving of notice in accordance with Article ~~26~~~~32~~, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may if required by any applicable laws, rules or regulations, or determined by the Board to be appropriate, be given to the members by notice to be ~~published~~~~inserted~~ in the newspaper (and for the purposes ~~or any other form~~ of this Article “~~published in the newspaper~~” shall be as defined in the rules for the time being of The Stock Exchange of Hong Kong Limited)-~~advertisement~~.
- ~~34.28~~Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.
- ~~35.29~~A call shall be deemed to have been made at the time when the resolution of the Board ~~authorizing~~~~authorising~~ such call was passed.
- ~~36.30~~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.
- ~~37.31~~The Board may from time to time at ~~their~~~~its~~ discretion extend the time fixed for any call, and may extend such time as regards all or any of the members, whom from residence outside Hong Kong or other cause the Board may deem entitled to any such extension but no member shall be entitled to any such extension except as a matter of grace and favour.
- ~~38.32~~If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty (~~20~~) per cent~~7~~, per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part.
- ~~39.33~~No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
- ~~40.34~~On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

~~41.35~~ 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 shares and/or by way of premium,~~ shall for all purposes of these Articles be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Directors may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.

~~42.36~~ The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) not exceeding twenty (20) per cent. 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.

Transfer of Shares

~~43.37~~ All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Board may accept and may be under hand only. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint.

~~44.38~~ The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Articles shall preclude the Board for ~~recognizing~~ ~~recognising~~ a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

~~45.39~~ The Board may, in its absolute discretion ~~and without assigning any reason,~~ refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

~~46.40~~ The Board may also decline to recognise any instrument of transfer unless:-

- (i) a fee of HK\$2 or such other sum (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, the maximum amount prescribed by the rules and regulations of such stock exchange) as the Board may from time to time require is paid to the Company in respect thereof;
- (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (iii) the instrument of transfer is in respect of only one class of share;

- (iv) the shares concerned are free of any lien in favour of the Company; and
- (v) the instrument of transfer is properly stamped.

~~47.41~~No transfer shall be made to a minor or to a person of unsound mind or under other legal disability.

~~48.42~~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. If the Board declines to register a transfer, the transferee or transferor may request a statement of the reasons for the refusal. If such request is made, the Board shall, within twenty-eight (28) days after receiving the request,

- (i) send the person who made the request a statement of the reasons; or
- (ii) register the transfer.

~~49.43~~Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued ~~without charge~~with a fee not exceeding the maximum amount prescribed from time to time by the Hong Kong Stock Exchange to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him ~~without charge. The Company shall also retain the transfer.~~with a fee not exceeding the maximum amount prescribed from time to time by the Hong Kong Stock Exchange.

~~50.44~~The registration of transfers may, on giving notice in accordance with the Listing Rules, be suspended and the register closed at such times and for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than thirty (30) days in any year or, with the approval of the Company in general meeting, sixty (60) days in any year.

Transmission of Shares

~~51.45~~In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.

~~52.46~~Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.

~~53.47~~If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitations, restrictions and provisions of these presents relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

~~54.48~~A person becoming entitled to a share by reason of the death, bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of ~~Articles 82~~Article 86 being met, such a person may vote at meetings.

Forfeiture of Shares

~~55.49~~If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of ~~Articles 33~~Article 39, 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.

~~56.50~~The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

~~57.51~~If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Board may accept the surrender of any shares liable to be forfeited hereunder and in such case references in these Articles to forfeiture shall include surrender.

~~58.52~~Any share so forfeited shall be deemed to be the property of the Company, and may be sold, cancelled or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.

~~59.53~~A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding such forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty (20) per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, ~~whether on account of the nominal value of the share or by way of premium,~~ shall notwithstanding that ~~that~~ the 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.

~~60.54~~A statutory declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

~~61.55~~When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

~~62.56~~Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon the expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

~~63.57~~The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

~~64.58~~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.

~~65.59~~In the event of a forfeiture of shares, the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited, and in any event the certificates representing shares so forfeited shall be void and of no further effect.

Stock

60. ~~The Company may by ordinary resolution convert any fully paid up shares into stock, and may from time to time by like resolution reconvert any stock into fully paid up shares of any denomination. After the passing of any resolution converting all the fully paid up shares of any class into stock any shares of that class which subsequently become fully paid up and rank pari passu in all other respects with such shares shall, by virtue of this Article and such resolution, be converted into stock transferable in the same units as the shares already converted.~~
61. ~~The holders of stock may transfer the same or any part thereof in the same manner, and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances admit, but the Board may from time to time, if it thinks fit, fix the minimum amount of stock transferable and restrict or forbid the transfer of fractions of that minimum, but so that such minimum shall not exceed the nominal amount of the shares from which the stock arose. No warrants to bearer shall be issued in respect of any stock.~~
62. ~~The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, participation in assets on a winding up, voting at meetings, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage.~~
63. ~~Such of the provisions of these presents as are applicable to paid up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "stock" and "stockholder".~~

Untraceable Members

- 65A. (A) Without prejudice to the rights of the Company under paragraph (B) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (B) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a member who is untraceable, but no such sale shall be made unless:
- (i) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles have remained uncashed;

- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (iii) the Company, if so required by the rules of the Hong Kong Stock Exchange, has caused an advertisement in newspapers, or, subject to the requirements of the rules of the Hong Kong Stock Exchange, by electronic communication in the manner in which notice may be served by the Company, giving notice of its intention to sell such shares, and a period of three (3) months or such shorter period as may be allowed by the Hong Kong Stock Exchange has elapsed since the date of such advertisement and the Hong Kong Stock Exchange has been notified of such intention, where appropriate.

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

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

Alteration of Capital

66. ~~64(A)~~ Subject to the Ordinance, The Company may from time to time by ordinary resolution:-
- (i) increase its share capital by allotting and issuing new shares;
 - (ii) increase its share capital without allotting and issuing new shares, if the funds or other assets for the increase are provided by the members of the Company;
 - (iii) capitalise its profits, with or without allotting and issuing new shares;
 - (iv) allot and issue bonus shares with or without increasing its share capital;

- (v) convert all or any of its shares into a larger or smaller number of shares; and/or
- (vi) cancel any shares which (a) at the date of the passing of the resolution have not been taken or agreed to be taken by any person; or (b) have been forfeited.
- (B) ~~(i) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; or~~ On any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of the shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (ii) ~~divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;~~
- (iii) ~~cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;~~
- (iv) ~~sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Ordinance, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and~~
- (v) ~~make provision for the issue and allotment of shares which do not carry any voting rights.~~
- (C) ~~(B) Subject to the provisions of the Companies Ordinance, the~~ The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner authorised and subject to any conditions prescribed by law.

General Meetings

- ~~67.65:~~The Company shall in each year hold a general meeting as its annual general meeting in accordance with Section 610 of the Ordinance in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; ~~and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.~~ The annual general meeting shall be held at such time and place as determined by the Board ~~shall appoint~~ and subject to these Articles.
- ~~68.66:~~All general meetings other than annual general meetings shall be called extraordinary general meetings. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in any part of the world (except that the Principal Meeting Place shall be a location in Hong Kong) and at one or more locations as provided in Article 78A, or as a hybrid meeting as may be determined by the Board in its absolute discretion.
- ~~69.67:~~The Board may, whenever it thinks fit, convene an extraordinary general meeting, and extraordinary general meetings shall also be convened on requisition, as provided by the Companies Ordinance, or, in default, may be convened by the requisitionists.
- ~~70.68:~~An annual general meeting ~~and a meeting called for the passing of a special resolution~~ shall be called by twenty-one (21) days' notice in writing at the least, and a meeting of the Company other than an annual general meeting ~~or a meeting for the passing of a special resolution~~ shall be called by at least fourteen (14) days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day ~~for on~~ which it is given, and shall specify the place, the day and the hour of meeting and, ~~in case of special business, the general nature of that business is to be held,~~ and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company; ~~Provided that subject to the provisions of the Companies Ordinance, a general meeting of the Company, shall notwithstanding that it is called by shorter notice than that specified in this Article, shall be deemed to have been duly called if it is so agreed:-~~
- (i) in the case of ~~a meeting called as the~~ annual general meeting, by all the members entitled to attend and vote thereat; and
 - (ii) in the case of any other general meeting, by a majority in number of the members having a right to attend and vote ~~at the meeting~~, being a majority together holding not less than ninety-five (95) per cent. ~~in nominal value of the total voting rights of holders of the shares giving that right at the meeting.~~
71. Every notice calling a general meeting shall specify (a) the time and date of the meeting, (b) the place of the meeting (and if there is more than one meeting location as determined by the Board pursuant to Article 78A, the principal place of the meeting which shall be a location in Hong Kong (the "Principal Meeting Place") and (c) in case of special business, the general nature of the business to be dealt with. If the general meeting is to be a hybrid meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting. The notice shall state prominently that a shareholder entitled to attend and vote and is entitled to appoint a proxy, who need not be a shareholder, to attend and, on a poll, vote instead of him.

- ~~72.69~~(A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (B) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Proceedings at General Meetings

~~73.70~~All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting with the exception of ~~sanctioning dividends, making a call in accordance with the provisions of these Articles, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors:-~~

- (i) the receipt and adoption of the reporting documents for the financial year concerned;
 - (ii) declaration and sanction of dividends,
 - (iii) the election of Directors in place of those retiring or upon expiration of their term of office;
 - (iv) the election or re-election of Auditors; and
 - (v) the fixing of the remuneration of the Directors and of the Auditors.
74. Subject to the provisions of the Ordinance, the Listing Rules, these Articles and other applicable laws, rules and regulations, the following business or action shall be approved by the shareholders by an ordinary resolution:
- (i) acquiring or disposing of an asset or making an investment in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company;
 - (ii) borrowing or providing guarantee, or entering into a connected transaction (as defined under the Listing Rules) in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company;
 - (iii) establishing, acquiring or investing in any operating institution;
 - (iv) engaging in any vertical or horizontal amalgamation of or any spin-off of or any dissolution of the Company;

- (v) adopting or approving any operating strategy, development strategy, investment plan, annual financial budget or final accounts of the Company provided that if a matter that would otherwise require approval of the shareholders has been expressly included in an operating strategy, development strategy, investment plan, annual financial budget or final accounts that has received approval of the shareholders, then no further approval of the shareholders is required; and
- (vi) appointing or removing from office any Director (other than in accordance with the Companies Ordinance).

~~75.71~~ For all purposes the quorum for a general meeting shall be two (2) members present in person (including attendance by electronic means) (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. No business other than the appointment of the Chairman of the meeting shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.

~~76.72~~ If within fifteen (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 (where applicable) such place(s) and in such form and manner referred to in Article 68 as place shall be decided by the Chairman, and if at such adjourned meeting a quorum is not present within fifteen (15) minutes from the time appointed for holding the meeting, the member or members present in person (including attendance by electronic means) or by proxy shall be a quorum and may transact the business for which the meeting was called.

~~77.73~~ The Chairman (if any) of the Directors or, if ~~in his absence~~ the Chairman is absent or if the Chairman declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or if at any general meeting neither of such Chairman or Deputy Chairman is present within fifteen (15) minutes after the time appointed for holding the meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as Chairman, and if no Director be present or if all the Directors present decline to take the chair or if the Chairman chosen shall retire from the chair, then the members present shall choose one of their own number to be Chairman.

~~78.74~~ Subject to Article 78C, Fthe 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/or from place to place(s) and/or from one form to another (a physical meeting or a hybrid meeting) as the meeting shall determine. Wherever a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice, specifying the details set out in Article 71 ~~place, the day and the hour of the adjourned meeting~~ shall be given in the same manner as in the case of any original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. 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.

- 78A. (1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (“Meeting Location(s)”) determined by the Board at its absolute discretion. Any member or any proxy attending and participating in such way or any member or any proxy participating in a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.
- (2) All general meetings are subject to the following:
- (i) where a member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;
 - (ii) members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy at a Meeting Location and/or members participating in a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the Chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that members at all Meeting Locations and members participating in a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;
 - (iii) where members attend a meeting by being present at one of the Meeting Locations and/or where members participate in a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of a hybrid meeting, the inability of one or more members (in the case of members being corporations, their duly authorised representatives) or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and
 - (iv) if any of the Meeting Locations is outside Hong Kong and/or in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place.

78B. The Board and, at any general meeting, the Chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place and/or any Meeting Location(s) and/or participation and/or voting in a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it/he shall in its/his absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a member who, pursuant to such arrangements, is not permitted to attend, in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

78C. If it appears to the Chairman of the general meeting that:

- (i) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 78A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or
- (ii) in the case of a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (iii) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (iv) there is violence or threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the Chairman of the meeting may have under these Articles or at common law, the Chairman may, at his absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.

78D. The Board and, at any general meeting, the Chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the Chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Article shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

78E If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling the meeting, it may (a) postpone the meeting to another date and/or time, and/or (b) change the place and/or electronic facilities and/or form of the meeting (including, without limitation, a physical meeting or a hybrid meeting), without approval from the members. Without prejudice to the generality of the foregoing, the Board shall have the power to provide in every notice calling a general meeting the circumstances in which such a change or postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a gale warning or black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Article shall be subject to the following:

- (i) when either (1) a meeting is postponed, or (2) there is a change in the place and/or electronic facilities and/or form of the meeting, the Company shall (a) endeavour to post a notice of such change or postponement on the Company's website as soon as reasonably practicable (provided that failure to post such a notice shall not affect the automatic change or automatic postponement of such meeting); and (b) subject to and without prejudice to Article 78, unless already specified in the original notice of the meeting or included in the notice posted on the Company's website above, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the changed or postponed meeting, specify the date and time by which proxies shall be submitted in order to be valid at such changed or postponed meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the changed or postponed meeting unless revoked or replaced by a new proxy), and shall give the members reasonable notice (given the circumstances) of such details in such manner as the Board may determine; and
- (ii) notice of the business to be transacted at the changed or postponed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the changed or postponed meeting is the same as that set out in the original notice of general meeting circulated to the members.

78F. All persons seeking to attend and participate in a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Article 78C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

78G. Without prejudice to other provisions in Articles 78A to 78F, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

79.75At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (i) a poll is required by the Listing Rules or other applicable laws, rules and regulations; or (ii) (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:-

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person (including attendance by electronic means) (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person (including attendance by electronic means) (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than ~~one-tenth~~five (5) percent of the total voting rights of all the members having the right to vote at the meeting; ~~or.~~
- (iv) ~~by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.~~

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

~~80.76~~If a poll is demanded as aforesaid, it shall (subject as provided in Article 7781) be taken in such manner (including the use of ballot or voting papers or tickets or through e-voting platform) and at such time and place, not being more than thirty (30) days from the date of the meeting or adjourned meeting or postponed meeting at which the poll was demanded, as the Chairman directs. No notice need be given of a poll not taken immediately. The Chairman may determine that the results of the poll, if certified by scrutineer(s) appointed by the Company or the Chairman or a Director or the Secretary, shall be published on the Company's website without the requirement for the results being declared at any meeting or adjourned meeting or postponed meeting. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

~~81.77~~Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment or postponement shall be taken at the meeting and without adjournment or postponement.

~~82.78~~In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to be a second or casting vote.

~~83.79~~The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

~~84.80~~A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Article. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.

Votes of Members

~~85.81~~Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class of shares, at any general meeting on a show of hands every member who (being an individual) is present in person (including attendance by electronic means) or by proxy or (being a corporation) is present by a representative duly ~~authorized~~ authorised under Section 45606 of the Companies Ordinance shall have one vote, and on a poll every member present in person (including attendance by electronic means), or (being a corporation) by duly ~~authorized~~ authorised representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up (but so that no amount paid up or credited as paid up on a share in advance of calls or installments shall be treated for the purposes of this Article as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes (whether on a show of hands or a poll) may be cast by such means, electronic or otherwise, as the Directors or the Chairman of the meeting may determine.

~~86.82~~ Any person entitled under Article ~~46~~⁵² to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least ~~forty-eight~~ (48) hours before the time of the holding of the meeting or adjourned meeting or postponed meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

~~87.83~~ Where there are joint registered holders of any share, ~~anyone~~ any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto: but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

~~88.84~~ A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, before the last time at which a valid instrument of proxy could be so delivered.

- 85- (A) Save as expressly provided in these Articles, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.
- (B) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting or postponed meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.

~~89.86~~ Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

~~90.87~~ The Subject to the Ordinance, the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

~~91.88~~The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place as is specified in the notice of meeting or in the instrument or proxy issued by the Company not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting or postponed meeting or on a poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or a postponed meeting or on a poll demanded at a meeting or an adjourned meeting or a postponed meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

~~92.89~~Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form (not precluding the use of a two-way form) as the Board may from time to time approve.

~~93.90~~The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit ~~Provided~~ provided that any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which special business (determined as provided in Article ~~7073~~) is to be transacted shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such special business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment or postponement of the meeting as for the meeting to which it relates.

~~94.91~~A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article ~~8891~~, at least two hours before the commencement of the meeting or adjourned meeting or postponed meeting at which the proxy is used.

~~95.92A~~Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise as if it were an individual member of the Company. References in these Articles to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.

~~96.92B~~ Where that shareholder and/or warrant holder is a ~~recognized~~ recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), it may ~~authorize~~ authorise such person or persons as it thinks fit to act as its representative (or representatives) at any shareholders' general meeting or any meeting of any class of shareholders and/or warrant holders' meeting provided that, if more than one person is so ~~authorized~~ authorised, the ~~authorization~~ authorisation must specify the number and class of shares and/or warrants in respect of which each such person is so ~~authorized~~ authorised. The person so ~~authorized~~ authorised will be entitled to exercise the same power on behalf of the ~~recognized~~ recognised clearing house as that clearing house (or its nominees) could exercise as if it were an individual shareholder and/or warrant holder of the Company.

~~97.92C~~ Where any member, under the Listing Rules, is required to abstain from voting on any particular resolution or is restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Registered Office

~~98.93~~ The registered office of the Company shall be at such place in Hong Kong as the Board shall from time to time appoint.

Board of Directors

~~99.94~~ The number of Directors shall not be less than two. The Board shall cause to be kept a register of the Directors and Secretaries, and there shall be entered therein the particulars required by the Companies Ordinance.

~~100.95~~ 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 first next following annual general meeting of the Company after his appointment and shall then be eligible for re-election. ~~In case the aforesaid first general meeting is an annual general meeting, and that he shall not be taken into account in determining the number of Directors to retire at that meeting pursuant to Article ~~104~~109(A).~~

~~101.96~~(A) A Director may at any time, by notice in writing signed by him delivered to the registered office of the Company or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved. A Director who has appointed a person (including another Director) to be his alternate Director shall not be vicariously liable for any tort committed by the alternate Director.

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

- (C) An alternate Director shall (except when absent from Hong Kong) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.
- (D) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

~~102.97~~A Director shall not be required to hold any qualification shares but shall nevertheless be entitled to attend and speak at all general meeting of the Company and of any class of members of the Company.

~~103.98~~The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaries employment or office in the Company except in the case of sums paid in respect of Directors' fee.

~~104.99~~The Directors shall also be entitled to be repaid all traveling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of traveling 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.

~~105.100~~The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

~~106.101~~ Notwithstanding Articles ~~98, 99~~ ~~103, 104~~ and ~~100, 105~~, the remuneration of a Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

~~107.102~~(A) A Director shall vacate his office:

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ii) if he becomes a lunatic or of unsound ~~minds~~ mind;
- (iii) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Companies Ordinance;
- (v) if by notice in writing delivered to the Company at its registered office he resigns his office;
- (vi) if he shall be removed from office by notice in writing served upon him signed by all his co-Directors; or
- (vii) if he shall be removed from office by an ordinary resolution of the Company under Article ~~110~~115.

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

~~108.103~~(A) (i) A Subject to the Ordinance, a Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.

- (ii) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately, and in such case each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment, or unless either he or any of his close associates (and if required by the Listing Rules, his other associates) has any material interest in such resolution. For the avoidance of doubt, where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of only one Director to office or employment with the Company or any company in which the Company is interested, such Director shall not be entitled to vote and be counted in the quorum in respect of such resolution(s).
- (B) (i) No Director or intended Director shall be disqualified by his office from contracting with the ~~company~~ Company either as vendor, purchaser or otherwise nor shall any such contract or any transaction, contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director or any of his close associates (and if required by the Listing Rules, his other associates) shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director or any of his close associates (and if required by the Listing Rules, his other associates) so contracting or being such member or so interested be liable to account to the Company for any profit ~~realized~~ realised by any such transaction, contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall disclose the nature and extent of his interest or the interest of any of his close associates (and if required by the Listing Rules, his other associates) in any transaction, contract or arrangement in which he or any of his close associates is interested at the meeting of the ~~board~~ Board at which the question of entering into the transaction, contract or arrangement is first taken into consideration, if he knows his interest or the interest of any of his close associates (and if required by the Listing Rules, his other associates) then exists, or in any other case at the first meeting of the Board after he knows that he or any of his close associates (and if required by the Listing Rules, his other associates) is or has become so interested.
- (ii) A Director shall not vote on any resolution of the Board nor be counted in the quorum in respect of any transaction, contract or arrangement in which to his knowledge he or any of his close associates (and if required by the Listing Rules, his other associates) is materially interested, and if he shall do so his vote shall not be counted, but this prohibition shall not apply to:
- (a) any transaction, contract, arrangement or proposal for giving the Director or any of his close associates (and if required by the Listing Rules, his other associates) any security or indemnity in respect of money lent by him or any of his ~~associates~~ them to or obligations undertaken by him or any of his ~~associates~~ them for the benefit of the Company or any of its subsidiaries; and/or

- (b) any transaction, contract, arrangement or proposal for the giving by the Company of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates (and if required by the Listing Rules, his other associates) has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; and/or
 - (c) any transaction, contract, arrangement or proposal in relation to an offer or invitation of shares or debentures or other securities of or by the Company for subscription or purchase where the Director or any of his close associates (and if required by the Listing Rules, his other associates) is or is to be interested as a participant in the underwriting or sub-underwriting of the offer or invitation; and/or
 - (d) any transaction, contract, arrangement or proposal with any other company in which he or any of his close associates (and if required by the Listing Rules, his other associates) is interested only, whether directly or indirectly, as an offer officer of that other company; and/or
 - (e) any transaction, contract, arrangement or proposal in relation to or concerning any other company in which the Director or any of his close associates (and if required by the Listing Rules, his other associates) is interested as a holder of shares or other securities of that company provided that he and any of his close associates (and if required by the Listing Rules, his other associates) together are not beneficially interested in 5% or more of the issued shares of any class of such company or of the voting rights thereof or of any third company through which such interest is derived; and/or
 - (f) any transaction, contract, arrangement or proposal in relation to or concerning the adoption, modification or operation of any executive and/or employee share scheme under which the Director or any of his close associates (and if required by the Listing Rules, his other associates) may benefit in the same manner as other employees and officers of the Company; and/or
 - (g) any contract for the purchase or maintenance for any Director or Directors of insurance against liability.
- (iii) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or of any of his close associates (and if required by the Listing Rules, his other associates) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director or of any of his close associates (and if required by the Listing Rules, his other associates) concerned as known to such Director has not

been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum or vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

- (iv) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by it as directors of such other company in such manner as in all respects it thinks fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.
- (v) A general notice to the Board by a Director that he ~~is a member or his connected entity who to the Director's knowledge (whether he being aware of or a specified firm or corporation and is ought reasonably to be aware) is, whether directly or indirectly~~ to be regarded as interested in any transaction, contract or arrangement which may be made with that firm or corporation after the date of such notice or that he or his connected entity is to be regarded as interested in any transaction, contract or arrangement which may be made with a specified person who is connected with him after the date of such notice shall be deemed to be a sufficient declaration of interest in relation to any transaction, contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.
- (C) A Director of the Company may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (D) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

Rotation of Directors

- ~~109.104~~(A) At each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every ~~director~~ Director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.
- (B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.
- ~~110.105~~If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:
- (i) it shall be determined at such meeting to reduce the number of Directors; or
 - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
 - (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost.
- ~~111.106~~The Company may from time to time in general meeting by ordinary resolution fix, increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.
- ~~112.107~~The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.
- ~~113.108~~No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company during a period of not less than seven (7) 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 (7) days prior to the date appointed for the meeting.
- ~~114.109~~The Company shall keep in accordance with the Ordinance a register containing the names and addresses and occupations of its Directors and shall from time to time notify to the Registrar of Companies any change that takes place in such Directors as required by the Companies Ordinance.

~~115.110~~The Company may by ordinary resolution remove any Director (including a Manager or other Executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

Borrowing Powers

~~116.111~~The Subject to the provisions of the Ordinance, the Listing Rules, these Articles and other applicable laws, rules and regulations, the Board may from time to time in its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

~~117.112~~The Subject to the provisions of the Ordinance, the Listing Rules, these Articles and other applicable laws, rules and regulations, the Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company of any third party.

~~118.113~~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.

~~119.114~~Any debentures, debentures 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.

~~120.115~~(A) The Board shall cause a proper register to be kept, in accordance with the provisions of the Companies Ordinance, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Ordinance in regard to the registration of mortgages and charges therein specified and otherwise.

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

~~121.116~~Where any uncalled capital of the ~~Companies~~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.

Managing Directors, etc.

~~122.H7~~The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article ~~104~~106.

~~123.H8~~Every Director appointed to an office under Article ~~117~~122 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company be liable to be dismissed or removed therefrom by the Board.

~~124.H9~~A Director appointed to an office under Article ~~117~~122 shall be subject to the same provisions as to rotation, resignation and removal as the other Directors of the Company (subject to the proviso to Article ~~104~~109(A)), and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

~~125.H20~~The Board may from time to time entrust to and confer upon a Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

126. All appointments or removals of senior management executives responsible for business operations, compliance, risk management or financial affairs of the Company and their performance appraisal and remuneration must be approved by the Board. Each senior management executive appointed under this Article 126 must meet the following criteria or such other criteria as the Board may consider appropriate from time to time:

- (i) the person must be familiar with the relevant laws, regulations and business norm applicable to securities institutions, and has no records of violation of laws or regulations in the three (3) years preceding to his/her appointment;
- (ii) the person must possess more than five (5) years of experience in securities, funds or any other financial sectors and have sufficient management capabilities required for his/her position; and
- (iii) the person must satisfy other relevant criteria imposed by applicable regulatory authority from time to time.

Management

- ~~127.121~~(A) Subject to any exercise by the Board of the powers conferred by Articles ~~123~~ 128 to 125 130, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Ordinance expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Ordinance and of these Articles and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (B) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:-
- (i) subject to the provisions of the Ordinance, the Listing Rules, these Articles and other applicable laws, rules and regulations, 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 consideration as may be agreed; and
 - (ii) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
- (C) Subject to the provisions of the Ordinance, the Listing Rules, these Articles and other applicable laws, rules and regulations, the following business or actions shall be considered and approved by the Board:
- (i) major business management issues such as major investment and financing of the Company, new businesses, new products and new models;
 - (ii) financial statements and budgets;
 - (iii) dividend policy, declaration of the interim dividend and recommendation of the final dividend;
 - (iv) issue and allotment of shares as authorised by the shareholders of the Company in general meeting;
 - (v) acquiring or disposing of an asset or making an investment in any single transaction with a value (i) representing five (5) per cent or more but less than ten (10) per cent of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company; and (ii) not less than RMB five (5) million;

- (vi) borrowing or providing guarantee, or entering into a connected transaction (as defined under the Listing Rules) in any single transaction with a value (i) representing five (5) per cent or more but less than ten (10) per cent of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company; and (ii) not less than RMB five (5) million;
- (vii) formation and significant change of terms of reference of, and receiving reports from board committees;
- (viii) the authorisation management system of the Company (including but not limited to the establishment of any internal management structure of the Company);
- (ix) proposal or arrangement concerning employees' share scheme or any share incentive or share option scheme; and
- (x) approving any significant matters related to compliance management, internal control and risk prevention of the Company.

Managers

~~128.122~~The Board may from time to time appoint a general ~~manger~~manager, manager or ~~mangers~~managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participate in the benefits 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 ~~manger~~manager, manager or managers who may be employed by him or them ~~upon~~for the business of the Company.

~~129.123~~The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as it may think fit.

~~130.124~~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.

Chairman

~~131.125~~The Board may from time to time elect or otherwise appoint a Director to be Chairman or Deputy Chairman and determine the period for which each of them is to hold office. The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Board, but if no such Chairman or Deputy Chairman be elected or appointed, or if at any meeting the Chairman or Deputy Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

Proceedings of the Board

~~132.126~~The Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Article an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. The Board or any committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

~~133.127~~A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone ~~or by telex or telegram~~ at to the address or telephone number from time to time notified to the Company by such Director, or (if the Director consents to it being given to him in electronic form) by electronic means to an electronic address from time to time notified to the Company by such Director, or in such other manner as the Board may from time to time determine, provided that notice need not be given to any Director or alternate Director for the time being absent from Hong Kong. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.

~~134.128~~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.

~~135.129~~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 discretion by or under these Articles for the time being vested in or exercisable by the Board generally.

~~136.130~~The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons, as the Board thinks fit, and may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

~~137.131~~All acts done by any such committee in conformity with such regulations and in fulfillment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.

~~138.132~~The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Article ~~130~~ 136.

~~139.133~~ All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.

~~140.134~~ 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.

~~141.135~~ A resolution in writing ~~signed~~ signed by all the Directors except such as are absent from Hong Kong or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Article ~~126~~ 132) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

Minutes

~~142.136~~(A) The Board shall cause minutes to be made of:-

- (i) all appointments of officers made by the Board;
- (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article ~~130~~ 136; and
- (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

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

Secretary

~~143.137~~ The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Companies Ordinance or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.

~~144.138~~The Secretary shall, if an individual, ordinarily reside in Hong Kong and, if a body corporate, have its registered office or a place of business in Hong Kong.

~~145.139~~A provision of the Companies Ordinance or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

General Management and Use of the Seal

~~146.140~~(A) The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the seal shall be affixed shall be signed by one Director or by some other person appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the Board may determine) that such signature may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

(B) The Company may have an official seal for use for sealing certificates for shares or other securities issued by the Company as permitted by Section ~~73A~~ 126(1) and (2) of the Ordinance (and no signature of any Director, officer or other person and no mechanical reproduction thereof shall be required on any such certificates or other document to which such official seal is affixed and such certificates or other document shall be valid and deemed to have been sealed and executed with the authority of the Board notwithstanding the absence of any such signature or mechanical reproduction as aforesaid) and an official seal for use abroad under the provisions of the Companies Ordinance where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company for the purpose of affixing and using such official seal and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

~~147.~~ A document signed by two members of the Board or any one of the Directors and the Secretary and expressed, in whatever words, to be executed by the Company as a deed, has the same effect as if executed under the seal.

~~141.148~~All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

- ~~142.149~~(A) The Board may from time to time and at any time, by power of attorney under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- (B) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instrument on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the Seal of the Company.
- ~~143.150~~The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in Hong Kong or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to -any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
- ~~144.151~~The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

Capitalisation of Reserves

- 145.152(A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other; ~~provided that for the purpose of this Article, any amount standing to the credit of share premium account may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.~~
- (B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. ~~The provisions of the Ordinance in relation to the filing of contracts for allotment shall be observed and, the Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.~~
146. (A) ~~If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:-~~
- (i) ~~as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the difference between the subscription price and the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;~~

- (ii) ~~the Subscription Right Reserve shall not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account and capital redemption reserve fund) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;~~
- (iii) ~~upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:~~
 - (a) ~~the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and~~
 - (b) ~~the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,~~

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

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

- ~~(B) Shares allotted pursuant to the provisions of this Article shall rank pari passu in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned.~~
- ~~(C) Notwithstanding anything contained in this Article no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and if so what) fraction of a share arises shall be determined according to the terms and conditions of the warrants.~~
- ~~(D) The provisions of this Article as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Article without the sanction of a special resolution of such warrant holders or class of warrant holders.~~
- ~~(E) A certificate or report by the Auditors of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.~~

Dividends and Reserves

~~147.153~~The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

- ~~148.154~~(A) The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the position of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board act bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights.
- (B) The Board may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits justify the payment.

~~149.155~~ No dividend shall be payable except out of the profits or other distributable reserves of the Company. No dividend shall carry interest.

~~150.156~~ Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. ~~Where requisite, a contract shall be filed in accordance with the provisions of the Companies Ordinance and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.~~

~~151.157~~(A) Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:-

- either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-
- (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two ~~(2)~~ weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
 - (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

- (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's distributable reserve accounts (~~including any special account, share premium account and capital redemption reserve fund (if there be any such reserve)~~) as the Board may determine, a sum equal to the aggregate ~~nominal amount~~value of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.
- or (ii) the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid in lieu of the whole or such part of the dividend as the Director may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:
- (a) the basis of any such allotment shall be determined by the Board;
- (b) the Board, after determining the basis of allotment, shall give no less than two (2) weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's distributable reserve accounts (~~including any special account, share premium account and capital redemption reserve fund (if there be any such reserve)~~) as the Board may determine, a sum equal to the aggregate ~~nominal amount~~value of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (B) The shares allotted pursuant to the provisions of paragraph (A) of this Article shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:-
- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend

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

- (C) The Board may do all acts and things considered necessary or expedient to give effect to any ~~capitalization~~capitalisation pursuant to the provisions of paragraph (A) of this Article with full power to the Board to make such provisions as ~~they think~~it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members, interested, an agreement with the Company providing for such ~~capitalization~~capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (D) The Company may upon the recommendation of the Board ~~by special resolution~~ resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.
- (F) The Board may on any occasion determine that rights of election under paragraph (A) of this Article shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board and in such event the provisions aforesaid shall be read and construed subject to such determination.

~~152-158~~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 equalizing dividends or for any other purpose to which the profits of the Company may be properly applied, and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute by way of dividend.

~~153-159~~Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amount paid or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share.

~~154-160~~(A) The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

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

~~155-161~~Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call shall be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call.

~~156-162~~A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.

~~157-163~~If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.

~~158-164~~Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

~~159:165~~ All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.

~~160:166~~ Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall mutatis mutandis apply to bonuses, ~~capitalization~~ capitalisation issue, distributions of realised capital profits or offers or grants made by the Company to the members.

Distribution of Realised Capital Profits

~~161:167~~ The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the ordinary shareholders on the footing that they receive the same as capital and in the shares and proportions in which they would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being.

Annual Returns

~~162:168~~ The Board shall make the requisite annual returns in accordance with the Companies Ordinance.

Accounts

~~163:169~~ The Board shall ~~cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by~~ ensure that accounting records shall be kept as provided for in Section 373(2) and (3) of the Companies Ordinance or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

~~164:170~~ The books of account shall be kept at the registered office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors.

~~165.171~~The Board shall from time to time determine whether and to what ~~extent~~extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Ordinance or authorised by the Board or by the Company in general meeting.

~~166.172~~(A) The Directors shall, from time to time, in accordance with the Companies Ordinance, cause to be prepared and to be laid before the general meeting the ~~relevant financial reporting~~ documents required by the Companies Ordinance. The Directors may also cause to be prepared a summary financial report if they think fit, which may be provided to members ~~any~~and/or debenture holders instead of the ~~relevant financial reporting~~ documents in circumstances permitted by the Hong Kong Stock Exchange.

(B) Subject to paragraph (C) below, a copy of the ~~relevant financial reporting~~ documents or the summary financial report shall, not less than twenty-one (21) days before the meeting, be delivered or sent by post to the registered address of every member and debenture holder of the Company, or in the case of a joint holding to the member or debenture holder (as the case may be) whose name stands first in the appropriate register in respect of the joint holding. No accidental non-compliance with the provisions of this Article shall invalidate the proceedings at the meeting.

(C) Where a member or debenture holder of the Company has, in accordance with the Companies Ordinance and any rules prescribed by the Hong Kong Stock Exchange from time to time, consented to treat the publication of the ~~relevant financial reporting~~ documents and/or the summary financial report on the Company's ~~computer network website~~ as discharging the Company's obligation under the Companies Ordinance to send a copy of the ~~relevant financial reporting~~ documents and/or the summary financial report, then subject to compliance with the publication and notification requirement of the Companies Ordinance and any rules prescribed by the Hong Kong Stock Exchange from time to time, publication by the Company on the Company's ~~computer network website~~ of the ~~relevant financial reporting~~ documents and/or the summary financial report at least twenty-one (21) days before the date of the meeting shall, in relation to each such member or debenture holder of the Company, be deemed to discharge the Company's obligations under paragraph (B) above.

~~(D)~~ For the purpose of this Article, "~~relevant financial documents~~" and "~~summary financial report~~" shall have the meaning ascribed to them in the Companies Ordinance.

Audit

- ~~167.~~173 Auditors shall be appointed and their duties regulated in accordance with the provisions of the Companies Ordinance.
- ~~168.~~174 Subject as otherwise provided by the Companies Ordinance the remuneration of the Auditors shall be fixed by the Company in general meeting ~~Provided~~provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board.
- ~~169.~~175 Every statement of accounts audited by the ~~Company's~~ Auditors and presented by the Board at a 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.

Notices

- ~~170.~~176(A) Any notice or document to be given or issued under these Articles shall be in writing, except that any such notice or document to be given or issued by or on behalf of the Company under these Articles (including any "corporate communication" within the meaning ascribed thereto in the Listing Rules) shall be in writing which may or may not be in a transitory form and may be recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form (including an electronic communication and publication on a ~~computer network~~website) whether having physical substance or not may be served or delivered by the Company by any of the following means subject to and to such extent permitted by and in accordance with the Companies Ordinance, the Listing Rules and any applicable laws, rules and regulations:
- (i) personally;
 - (ii) by sending it through the post in a properly prepaid letter, envelope or wrapper addressed to a member at his registered address as appearing in the register or in the case of another entitled person (as defined in the Companies Ordinance), to such address as he may provide;
 - (iii) by delivering or leaving it at such address as aforesaid;
 - (iv) by advertisement in an English language newspaper and a Chinese language newspaper in Hong Kong in accordance with the Listing Rules;
 - (v) in electronic form: by transmitting it as an electronic communication to the entitled person at such electronic address as he may have provided; or
 - (vi) by publishing it on a ~~computer network~~website.
- (B) In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint ~~holder~~holders.

~~171.177~~ Every member of and holder of debentures of the Company or a person who is entitled to receive notice from the Company under the provisions of the Companies Ordinance or these Articles shall register with the Company an address either in Hong Kong or elsewhere and/or an electronic address to which notices can be served upon him and if any such person shall fail to do so, notice may be served on such person by sending the same in any of the manners mentioned to his last known registered address or electronic address, or if there is none, a notice displayed in the registered office of the Company shall be deemed to be well served on him at the time when it is first so displayed.

~~172.178~~ Any notice or document (including any “corporate communication” within the meaning ascribed thereto in the Listing Rules) given or issued by or on behalf of the Company:

- (i) if sent by post, shall be deemed to have been served on the second business day following that after the day on which the envelope or wrapper containing the same is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office (airmail if posted from Hong Kong to an address outside Hong Kong) 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 properly prepaid, addressed and put into such post office shall be conclusive evidence thereof;
- (ii) if not sent by post but delivered or left at a registered address by the Company, shall be deemed to have been served on the day it was so delivered or left;
- (iii) if published by way of a newspaper advertisement, shall be deemed to have been served on the date on which it is advertised in one English language newspaper and one Chinese language newspaper in Hong Kong;
- (iv) if sent as an electronic communication, ~~(other than by making it available on a website)~~, shall be deemed to have been served at the time when the notice or document is transmitted electronically provided that no notification that the electronic communication has not reached its recipient has been received by the sender, except that any failure in transmission beyond the sender’s control shall not invalidate the effectiveness of the notice or document being served; and
- (v) if published on the Company’s ~~computer network, website~~, shall be deemed to have been served ~~on the day on which the notice or document is published on the Company’s computer network to which the entitled person may have access at the~~ later of (i) the time when it is first made available on the website; and (ii) the time when the entitled person is deemed to have received a notification of such availability, or otherwise in accordance with the Ordinance.

~~173:179~~A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it in such manner as provided in Article ~~170~~176(A) addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the electronic address or 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.

~~174:180~~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 (including electronic address) being entered on the register shall have been duly given to the person from whom he derives his title to such share.

~~175:181~~Any notice or document delivered or sent in such manner as provided in Article ~~170~~176(A) in pursuance of these presents shall notwithstanding that such member be then deceased or bankrupt and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.

~~176:182~~The signature to any notice to be given by the Company may be written or printed or made electronically.

Information

~~177:183~~No member (not being a Director) shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret ~~process~~ which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interests of the members of the Company to communicate to the public.

Winding Up

184. The Company may not initiate its voluntary winding up unless approved by the shareholders by a special resolution.

~~178:185~~If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.

~~179.~~186If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the sanction of a special resolution and other sanction required by the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

~~180.~~187In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within fourteen (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, processes, orders and judgments. in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be a good personal service on such member for all purposes, and where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertising in such English language daily newspaper circulating in Hong Kong as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as mentioned in the register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

Indemnity

~~181.~~188.(A) Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (including any such liability as is mentioned in ~~Section 165(2) of the Companies Ordinance~~) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company or ~~related company (within the meaning ascribed thereto in Section 165(5) of the Companies Ordinance)~~associated company in the execution of the duties of his office or in relation thereto, provided that this Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance.

- (B) Subject to ~~Section 165~~the provisions of the Companies Ordinance, if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.
- (C) ~~The~~Subject to the provisions of and so far as may be permitted by the Ordinance, ~~the Company~~ may purchase and maintain for any Director, Secretary, officer and ~~auditor of the Company~~Auditors:
- (i) insurance against any liability to the Company, ~~a related~~an associated company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or ~~a related~~an associated company; and
 - (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or ~~a related~~an associated company.

~~For the purpose of this Article 181(C), "related company's means any company that is the Company's subsidiary or holding company or a subsidiary of that holding company.~~

189. Any permitted indemnity provision under Section 469 of the Ordinance is subject to disclosure in the relevant Directors' report in accordance with Section 470 of the Ordinance; and the Company shall keep in its registered office a copy, or document setting out the terms, of such permitted indemnity provision in accordance with Section 471 of the Ordinance, which shall be made available for inspection by a member subject to Section 472 of the Ordinance.

General

190. Any matters unspecified in these Articles shall be implemented in accordance with the Ordinance, the Listing Rules and other applicable laws, rules and regulations.

For the avoidance of doubt, where there are any inconsistencies between these Articles and the Ordinance, the Listing Rules and other applicable laws, rules and regulations, the latter shall prevail.

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

Names, Addresses and Descriptions of Subscribers	<u>Number of Shares taken by each Subscriber</u>
(Sd.) MOK WING SUM Flat 815, Pak Suet House, Choi Hung Estate, Kowloon, Hong Kong. Merchant	<u>1</u>
(Sd.) PATRICK CHIN KIM HO 1, Tank Street, 1st floor, Hong Kong. Merchant	<u>1</u>
<u>Total Number of Shares Taken</u>	<u>2</u>

Dated the 16th day of August, 1972.

WITNESS to the above signatures:-

(Sd.) David Lui Wing Yiu
Accountant
Hong Kong

(Note: The names and other particulars of subscribers and related content appearing on this page originally formed part of the Memorandum of Association of the Company before the Ordinance came into effect on 3rd March, 2014, and are now reproduced here for reference only.)

NOTICE OF ANNUAL GENERAL MEETING



SHENWAN HONGYUAN (H.K.) LIMITED

申萬宏源(香港)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 218)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the members of Shenwan Hongyuan (H.K.) Limited (the “**Company**”) will be held at Empire Room I, 1/F, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong, on Monday, 30 May 2022 at 9:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the Audited Consolidated Financial Statements, Report of the Directors and Independent Auditor’s Report for the year ended 31 December 2021;
2. (a) (i) To re-elect Mr. Liang Jun as an executive Director;
(ii) To re-elect Mr. Zhang Jian as an executive Director;
(iii) To re-elect Mr. Zhang Lei as a non-executive Director;
(iv) To re-elect Mr. Ng Wing Hang Patrick as an independent non-executive Director;
(v) To re-elect Mr. Kwok Lam Kwong Larry as an independent non-executive Director;
(vi) To re-elect Mr. Chen Liqiang as an independent non-executive Director; and
(b) To authorise the Board of Directors to fix Directors’ fees for the year ending 31 December 2022;
3. To re-appoint Auditors and authorise the Board of Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

As special business to consider and, if thought fit, pass with or without amendments, the following Ordinary Resolutions:

4. "THAT:

- (a) subject to sub-paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in sub-paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversions attaching to any warrants issued by the Company or any securities which are convertible into shares;
 - (iii) any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or its subsidiaries of shares or rights to acquire shares of the Company; or
 - (iv) any scrip dividend scheme or similar arrangements providing for the allotment of shares of the Company in lieu of the whole or a part of a dividend on such shares in accordance with the Articles of Association of the Company;

shall not exceed 20% of the aggregate number of shares of the Company in issue at the date of the passing of this Resolution, and this approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or the requirements of any recognized regulatory body or any stock exchange in any territory applicable to the Company).”

5. “**THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the 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 the securities of the Company may be listed and is recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in sub-paragraph (a) above shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

6. “**THAT** conditional upon the passing of Ordinary Resolutions 4 and 5, the general mandate granted to the Directors of the Company to exercise the power of the Company to allot, issue and deal with shares pursuant to Ordinary Resolution 4 set out in the notice convening this Meeting be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution 5 set out in the notice convening this Meeting, provided that such amount shall not exceed 10% of the aggregate number of shares in issue of the Company at the date of passing of this Ordinary Resolution.”

SPECIAL RESOLUTION

To consider and, if thought fit, pass with or without amendments, the following Special Resolution:

7. “**THAT** the Company’s new articles of association, a copy of which has been produced to this meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification, be and is hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the memorandum and articles of association of the Company in force immediately before the passing of this Special Resolution and **THAT** any director or the company secretary of the Company be and is hereby authorised to do all things necessary to effect and record the adoption of the Company’s new articles of association.”

NOTICE OF ANNUAL GENERAL MEETING

ORDINARY RESOLUTIONS

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

8. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the shareholders of the Company, the Board be and is hereby authorised for the purpose of Article 74(i) of the New Articles to enter into any transactions during the Relevant Period (as defined hereunder) on behalf of the Company to acquire or dispose of an asset and to make an investment in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company;”
9. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the shareholders of the Company, the Board be and is hereby authorised for the purpose of Article 74(ii) of the New Articles to enter into any transactions during the Relevant Period (as defined hereunder) on behalf of the Company to borrow any sum or sums of money for the purpose of the Company or its wholly-owned subsidiaries and to provide guarantees for the wholly-owned subsidiaries of the Company and to enter into a connected transaction (as defined in the Listing Rules) in each case in any single transaction with a value representing ten (10) per cent or more of the consolidated net asset value of the Group as shown in the latest published financial statements of the Company;”
10. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the shareholders of the Company, the Board be and is hereby authorised for the purpose of Article 74(iii) of the New Articles to enter into any transactions during the Relevant Period (as defined hereunder) on behalf of the Company to establish, acquire or invest in any operating institution;”
11. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the shareholders of the Company, the Board be and is hereby authorised for the purpose of Article 74(v) of the New Articles to enter into any actions during the Relevant Period (as defined hereunder) on behalf of the Company to adopt or approve any operating strategy, development strategy, investment plan, annual financial budget or final accounts of the Company;”

NOTICE OF ANNUAL GENERAL MEETING

12. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the shareholders of the Company, the Board be and is hereby authorised for the purpose of Article 74(vi) of the New Articles to appoint or remove from office any Director (other than in accordance with the Companies Ordinance) during the Relevant Period (as defined hereunder) on behalf of the Company;”
13. “**THAT** conditional upon the passing of the Special Resolution no. 7 above and subject to any applicable laws, regulations and rules which require such matters to be separately approved by the Board, the Board be and is hereby authorised for the purpose of Article 126 and Article 127(C) of the New Articles to delegate the powers of the Board under Article 126 and Articles 127(C) of the New Articles to any committee(s) of the Board or any other suitable person(s) subject to the determination by the Board during the Relevant Period (as defined hereunder);”

and for the purposes of the resolution 8 to resolution 13:

“**Relevant Period**” means the period from 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 or by law to be held; and
- iii. the date upon which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

By order of the Board
Shenwan Hongyuan (H.K.) Limited
Wong Che Keung Leslie
Company Secretary

Hong Kong, 29 April 2022

As at the date of this notice, the Board of the Company comprises seven directors, of which Ms. Wu Meng, Mr. Zhang Jian and Mr. Liang Jun are the executive directors, Mr. Zhang Lei is the non-executive director, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Chen Liqiang are the independent non-executive directors.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The register of members of the Company will be closed from Tuesday, 24 May 2022 to Monday, 30 May 2022, both days inclusive, during which period no transfers of Shares will be registered. In order to qualify for attending and voting at the 2022 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Monday, 23 May 2022.
2. A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and vote on his behalf and such proxy need not be a member of the Company.
3. When there are joint holders of any share, any one of such joint holders may vote at the annual general meeting, either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto; but if more than one of such joint holders are present at the annual general meeting, either personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company shall alone be entitled to vote in respect of it.
4. In order to be valid, a proxy form together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the office of the Company at Level 6, Three Pacific Place, 1 Queen's Road East, Hong Kong not later than 9:30 a.m. on Friday, 27 May 2022.
5. Completion and return of the proxy form will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Concerning Ordinary Resolutions 4 to 6, the Directors wish to state that they have no immediate plans to issue any new shares of the Company or repurchase any existing shares of the Company.
7. An explanatory statement as required by the Listing Rules in connection with the proposed share repurchase mandate under Ordinary Resolution 5 above is set out on pages 11 to 13 of this circular.
8. Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. An explanation of the detailed procedures of conducting a poll will be provided to Shareholders at the commencement of the annual general meeting, to ensure that Shareholders are familiar with such procedures.
9. In case the general meeting is anticipated to be affected by black rainstorm or tropical cyclone with warning signal No. 8 or above, please refer to the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the Company's website at <http://www.swwhyhk.com> for announcement on bad weather arrangement for the general meeting.
10. To prevent and control the spread of the COVID-19 pandemic, the Company will implement the following precautionary measures at the annual general meeting to protect our shareholders from the risk of infection:
 - a. compulsory body temperature check will be conducted for every shareholder, proxy or other attendee at the entrance of the annual general meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time may be denied entry into the annual general meeting venue and be requested to leave the annual general meeting venue.
 - b. every shareholder, proxy or other attendee is required to comply with the requirements of the "Vaccine Pass Direction", which is defined under the Prevention and Control of Disease (Vaccine Pass) Regulation (Cap. 599L of the Laws of Hong Kong), prior to entry into the annual general meeting venue.
 - c. every shareholder, proxy or other attendee is required to wear surgical mask before they are permitted to attend and during their attendance of the annual general meeting, and to maintain a safe distance between seats. Please note that no masks will be provided at the annual general meeting venue and attendees should bring and wear their own masks.
 - d. No refreshment or drinks will be served at the annual general meeting.

NOTICE OF ANNUAL GENERAL MEETING

Any attendee who (i) refuses to comply with the precautionary measures; or (ii) is subject to the Hong Kong Government's quarantine requirements or has close contact with any person under quarantine; or (iii) is subject to the Hong Kong Government's prescribed testing requirement or direction and has not tested negative; or (iv) feels unwell or has any symptoms of COVID-19, will be denied entry into or be required to leave the annual general meeting venue at the absolute discretion of the Company as permitted by law.

Subject to the development of the COVID-19 pandemic, the Company may be required to change the annual general meeting arrangements at short notice. Shareholders should check the Company's website for future announcements and updates on the annual general meeting arrangements.