

CAYMAN ISLANDS

The Companies Law (1995 Revision) (Cap. 22)

Company Limited by Shares

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

HARMONY ASSET LIMITED

(Incorporated in Cayman Islands with limited liability)

Incorporated the 28th day of September, 1993

(It is a consolidated version not formally adopted by shareholders
at a general meeting of the Company)

Re-printed

2012

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

Passed on the 27th day of May, 2009

At the annual general meeting of the Company duly convened and held at Room 1101, St. George Building, 2 Ice House Street, Central, Hong Kong on Wednesday, the 27th day of May, 2009 at 9:00 a.m., the following resolution was duly passed as a special resolution of the Company :-

SPECIAL RESOLUTION

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

(a) Article 2

- (i) by adding the following definitions immediately after the definition of “Dividend”:

electronic communication	“electronic communication” shall mean a communication sent by electronic transmission in any form through any medium;
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entitled person	“entitled person” shall mean an “entitled person” as defined under section 2(1) of the Companies Ordinance;
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- (ii) by deleting the following definition:

“Written” and **“In Writing”** include all modes of representing or reproducing words in visible form.

and substituting therefor the following:

“Written” or “In Writing” or “printed” shall include written or printed or printed by lithography or printed by photography or typewritten or produced by any other mode of representing words or figures in a visible form or, to such extent permitted by, and in accordance with all applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form;

(b) Article 133

By deleting Article 133 in its entirety and substituting therefor the following:

133. 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 and 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 laws, 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 (in case of other entitled person, to such address as he may provide);
- (iii) by delivering or leaving it at such address as aforesaid;
- (iv) by advertisement published in the newspapers;
- (v) by sending or transmitting it as an electronic communication to the entitled person at his electronic address as he may provide; or
- (vi) by publishing it on the Recognized Stock Exchange’s website and the Company’s computer network, giving access to such network to the entitled person and giving to such person a notice of publication of such notice or document.

In the case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

(c) Article 134

By deleting the existing Article 134 in its entirety and substituting therefor the following:

134. 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 served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a

certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof;

- (ii) if served by post, shall be deemed to have been served on the day following that on which it is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by airmail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (iii) if served by advertisement published in the newspapers, shall be deemed to have been served on the day of issue of the newspaper(s) in which the advertisement is published; and
- (iv) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice or document placed on the Company's computer network or website is deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member.

(d) By adding the following new Article 136A after the existing Article 136:

- 136A. (a) The signature to any notice or document by the Company may be written, printed or made electronically.
- (b) Subject to any applicable laws, rules and regulations, any notice or document from the Company, including but not limited to the documents referred to in Article 133 and any "corporate communication" within the meaning ascribed thereto in the Listing Rules, may be given in the English language only, in the Chinese language only or in both the English language and the Chinese language."

Dated the 27th day of May, 2009.

(Sd.) LEE FONG LIT

LEE FONG LIT
(Chairman)

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

AND

ORDINARY RESOLUTION

Passed on the 13th day of December, 2006.

At an Extraordinary General Meeting of the Company duly convened and held at Room 1101, St. George's Building, No.2 Ice House Street, Central, Hong Kong on Wednesday, the 13th day of December, 2006 at 3:30 p.m., the following resolutions were duly passed as special resolution and ordinary resolutions of the Company:-

SPECIAL RESOLUTION

1. **“THAT** the articles of association of the Company be and are hereby amended in the following manner:

- (a) By adding the following new Article 7(c) after the existing Article 7 (b):

“A share shall not be issued for consideration in the form of promissory notes or future services or for cash or other non-cash consideration that is less in value than the greater of its fair market value, as determined by the Board, or the nominal value of the shares of the Company.”

- (b) By adding the following new Article 13(f) after the existing Article 13(e):

“Without prejudice to the other provisions in these Articles, where the Company proposes a plan of amalgamation, reconstruction or arrangement of the Company which will result in shares of any shareholder being compulsorily acquired or cancelled (the “Plan”) and which does not under

applicable law require the approval of the Cayman court, a general meeting of the Company must be held to seek the approval of the shareholders and the notice of the said general meeting must include or be accompanied by a copy or summary of the Plan and state (i) the fair value of the shares in cash as determined by the Company and (ii) that a dissenting shareholder is entitled to be paid the fair value of his shares. Any shareholder whose shares will be subject to repurchase or cancelled under the Plan and who did not vote in favour of the Plan which has subsequently been approved in accordance with these Articles and applicable laws and is not satisfied that he has been offered fair value for his shares pursuant to the Plan (the “Dissenting Shareholder”) may within one month of the holding of the said general meeting apply to the Company to have the fair value of his shares appraised by an independent qualified appraiser appointed by the Company. The Company shall then pay to the Dissenting Shareholder an amount equal to the value of his shares as appraised by the independent qualified appraiser within one month upon completion of the appraisal. In the case where the Plan by law requires the approval of the Cayman court, the Company shall ensure that the Plan includes appraisal rights to Dissenting Shareholders on the terms substantially similar to the provisions set out in this Article. For the avoidance of doubt, a Dissenting Shareholder shall only be entitled to receive the amount appraised by the independent qualified appraiser and shall not be entitled to receive, in addition, the consideration such Dissenting Shareholder would otherwise be entitled under the Plan. The effectiveness or completion of the Plan shall not be affected by the appraisal right of a Dissenting Shareholder under this Article.”

- (c) Subject to and conditional upon the passing of resolution no.2 below, by deleting the existing of definition of “Ordinary Share” and substituting therefor the following new definition:

“**Ordinary Shares**” means a share in the capital of the Company of HK\$1.00 nominal value designated as an Ordinary Share and having the rights and subject to the restrictions attached thereto as provided for in these Articles.”

ORDINARY RESOLUTION

2. **“THAT** subject to and conditional upon the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing

of and permission to deal in the Consolidated Shares (as defined in paragraph (a) of this Resolution below):

- (a) with effect from the first business day immediately following the date on which this Resolution is passed, every 5 (five) ordinary shares of HK\$0.20 each in the issued and unissued share capital of the Company be consolidated into one (1) share of HK\$1.00 (each a “**Consolidated Share**”) and the Consolidated Shares in issue shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company;
- (b) all fractions of the Consolidated Shares to which holders of issued shares of HK\$0.20 each in the share capital of the Company would otherwise be entitled to be aggregated, sold and retained for the benefit of the Company;
- (c) the directors of the Company (the “**Board**”) be and are generally authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangements; and
- (d) in this Resolution, the term “business day” shall mean a day on which the Stock Exchange is open for the business of dealing in securities and there is no suspension in the trading in the shares of the Company on that day.”

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

Passed on the 7th day of June, 2006

At the annual general meeting of the Company duly convened and held at Room 1101, St. George Building, 2 Ice House Street, Central, Hong Kong on Wednesday, the 7th day of June, 2006 at 9:00 a.m., the following resolution was duly passed as a special resolution :-

SPECIAL RESOLUTION

“THAT the existing Articles of Association of the Company be and are hereby amended in the following manners :-

(a) Article 93

by deleting the last sentence and replacing thereof by the following new sentence :-

“Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board), and shall then be eligible for re-election at that meeting.”

(b) Article 95

by deleting the words “Special Resolution” in Article 95 and substituting therefor by the words “Ordinary Resolution”.

Dated the 7th day of June, 2006.

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

Passed on the 28th day of June, 2005

At the annual general meeting of the Company duly convened and held at Room 1101, St. George Building, 2 Ice House Street, Central, Hong Kong on Tuesday, the 28th day of June, 2005 at 9:00 a.m., the following resolution was duly passed as a special resolution :-

SPECIAL RESOLUTION

“THAT the existing Articles of Association of the Company be and are hereby amended by deleting paragraph (b) of the Article 98 in its entirety and substituting the following therefor :-

“(b) Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules, and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.”.”

Dated the 28th day of June, 2005.

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

Passed on the 18th day of June, 2004

At the Annual General Meeting of the Company duly convened and held at Room 1101, St. George Building, 2 Ice House Street, Central, Hong Kong on Friday, the 18th day of June, 2004 at 9:00 a.m., the following resolution was duly passed as a special resolution :-

SPECIAL RESOLUTION

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

A. Article 2

- (i) By adding the following new definition immediately after the definition of “Assets”:

“**Associate**” in relation to any Director, has the meaning as defined in the Listing Rules.

- (ii) By deleting the existing definition of “Clearing House” and substituting therefor the following new definition:

“**Clearing House**” means a clearing house within the meaning of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.

- (iii) By adding the following new definition immediately after the definition of “Investment Manager”:

“**Listing Rules**” means the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and any amendments thereto for the time being in force.

- (iv) By deleting the existing of definition of “Ordinary Share” and substituting therefor the following new definition :

“**Ordinary Share**” means a share in the capital of the Company of HK\$0.20 nominal value designated as an Ordinary Share and having the rights and subject to the restrictions attached thereto as provided for in these Articles.

B. Article 6

By deleting the Article 6 in its entirety and substituting the following new Article 6 :

6. The share capital of the Company on 18th June, 2004 is HK\$100,000,000.00 divided into 500,000,000 Ordinary Shares of HK\$0.20 each respectively having attached thereto the rights hereinafter set out.

C. Article 52

By adding the words “or unless a poll is taken as may from time to time be required under the Listing Rules” immediately after the words “duly demanded”.

D. Article 53

By adding the words “or unless a poll is taken as may from time to time be required under the Listing Rules” immediately after the word “demanded”.

E. Article 63

By re-lettering the Article 63 as paragraph (a) of the Article 63 and adding the following new paragraph (b) :-

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

F. Article 96

By deleting the Article 96 and substituting therefor the following new Article:

“96. No person other than a retiring Director shall, unless recommended by the Board for election, be eligible for election as a Director at any general meeting unless not less than seven (7) days before the date appointed for the general meeting there shall have been lodged at the head office of the Company notice in writing signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected provided that the period for lodgment of the aforesaid notice shall commence not earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

G. Article 98

By deleting the following words in the paragraph (b) of the Article 98:

“Provided that no Director holding office as Managing or Joint Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire.”

H. Article 107

By deleting the sub-paragraph (i) to (v) of the paragraph (f) of the Article 107 in its entirety and substituting the following new sub-paragraph (f) :

“(f) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has/have a material interest, and if he shall do so his vote shall not be counted (nor shall be counted that resolution), but this prohibition shall not apply to any of the following matters namely:

(i) the giving of any security or indemnity either:

(aa) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(bb) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

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

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

- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (bb) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to any Director, his associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of the persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”.”

Dated the 18th day of June, 2004.

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated with limited liability as an exempted company in the Cayman Islands)

ORDINARY RESOLUTION

Passed on the 23rd day of January, 2003

At the extraordinary general meeting of the Company duly convened and held at 16th Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong on Thursday, the 23rd day of January, 2003 at 4:30 p.m., the following resolution was duly passed as an ordinary resolution of the Company :-

ORDINARY RESOLUTION

“THAT, with effect from 24th January, 2003 and conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares of HK\$0.20 each in the capital of the Company arising from the Shares Consolidation (as defined below) and (ii) the approval of the relevant government authority, if required, every 20 shares of HK\$0.01 each in the existing share capital of the Company be consolidated into one share of HK\$0.20 each (the “Share Consolidation”) and the directors of the Company be authorized to do such things and acts as they consider necessary or appropriate to give effect to the same.”

Dated the 23rd day of January, 2003.

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated with limited liability as an exempted Company in the Cayman Islands)

ORDINARY RESOLUTION

Passed on the 22nd day of May, 2000

At an Extraordinary General Meeting of the Company duly convened and held at 16th Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong on Monday, the 22nd day of May, 2000 at 9:00 a.m., the following resolution was duly passed as an Ordinary Resolution of the Company:-

ORDINARY RESOLUTION

“THAT the authorised share capital of the Company be and is hereby increased from HK\$14,000,000 to HK\$100,000,000 by the creation of an additional 8,600,000,000 new shares of HK\$0.01 each in the share capital of the Company.”

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated with limited liability as an exempted Company in the Cayman Islands)

SPECIAL RESOLUTION

Passed on the 5th day of May, 1999

At an Extraordinary General Meeting of the Company duly convened and held at 16th Floor, Wah Kit Commercial Centre, 302 Des Voeux Road Central, Hong Kong on Wednesday, the 5th day of May, 1999 at 9:40 a.m., the following resolution was duly passed as a Special Resolution of the Company:-

SPECIAL RESOLUTION

“**THAT** the existing articles of association of the Company be and are hereby amended in the following manner:-

(a) Article 2:-

- (i) by deleting the definition of “Benefit Plan Investor”.
- (ii) by adding the following new definition immediately after the definition of “Business Day”:-

“Clearing House” means a recognised clearing house within the meaning of Section 2 of the Securities and Futures (Clearing Houses) Ordinance (Chapter 420 of the Laws of Hong Kong Special Administrative Region) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.

- (iii) by replacing the words “Article 109(c)” in the definition of “Registrar” with the words “Article 109(b)”.
- (iv) by deleting the definition of “ “U.S. person” and “United States” ”.

(b) Article 7:-

by deleting the paragraph (b) and re-lettering the paragraph (c) as (b).

(c) Article 8:-

- (i) in paragraph (a), by deleting the words “within two months” and “(or within such other period as the conditions of issue shall provide)”.
- (ii) in paragraph (a), by replacing the words “of HK\$2.00 for every certificate after the first or such lesser sum” with the words “such fee”.
- (iii) in paragraph (c), by deleting the words “of HK\$2.00 or such lesser sum”.

(d) Article 10:-

by adding immediately after the first sentence the words “The Board may resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept machine imprint signatures on the instrument of transfer.”

(e) Article 11:-

- (i) in paragraph (a)(vi), by deleting the words “not exceeding two Hong Kong dollars (or its equivalent at the relevant time in U.S. dollars)”.
- (ii) by deleting the paragraphs (c) to (l).

(f) Article 31:-

by replacing the words “not exceeding two Hong Kong dollars” with the words “as the Board shall from time to time determine”.

(g) Article 37:-

by deleting the words “not exceeding HK\$2.00”.

(h) Article 38:-

by deleting the last sentence.

(i) Article 45:-

in paragraph (b), by deleting the words “on a poll”.

(j) Article 59:-

by adding the words “or by proxy” immediately before the words “shall have one vote and,” in the first sentence.

(k) Article 71:-

by replacing the paragraph (b) with the following new paragraph:-

(b) If a Clearing House (or its nominee) is a member of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives to the extent permitted by the Companies Ordinance, at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one proxy or corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual member of the Company, including the right to vote individually on a show of hands notwithstanding the provisions of the Article 59.

(1) Article 134:-

by deleting the word “fourth”.

Dated the 5th day of May, 1999.

(Sd.) LEE FONG LIT

LEE FONG LIT

(Chairman)

HARMONY ASSET LIMITED

(Incorporated in the Cayman Islands with limited liability)

SPECIAL RESOLUTION

Passed on the 20th day of May, 1998

At an Extraordinary General Meeting of the Company duly convened and held at Suite 51, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong on Wednesday, the 20th day of May, 1998 at 9:00 a.m., the following resolution was duly passed as a special resolution :-

SPECIAL RESOLUTION

“**THAT** the authorized share capital of the Company be and is hereby increased from HK\$1,000,000 to HK\$14,000,000 by the creation of 1,300,000,000 new shares of HK\$0.01 each (“Shares”) of the Company, such new Shares to rank pari passu in all respects with the existing Shares in the capital of the Company.”

Dated the 20th day of May, 1998.

(Sd.) Lee Fong Lit

LEE FONG LIT

(Chairman)

SHK CONVERTIBLES LIMITED

(Incorporated with limited liability as an exempted company in the Cayman Islands)

SPECIAL RESOLUTION

Passed on the 11th day of February, 1998

At an Extraordinary General Meeting of SHK Convertibles Limited (“the Company”) duly convened and held at Suite 51, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong on Wednesday, 11th February, 1998 at 11:00 a.m., the following resolution was duly passed as a special resolution of the Company:-

SPECIAL RESOLUTION

“**THAT** the name of the Company be changed to Harmony Asset Limited (the Chinese translation of which is 亨亞有限公司).”

(Sd.) Peter Fung Yiu Fai

PETER FUNG YIU FAI

(Chairman)

SHK CONVERTIBLES LIMITED

(Incorporated as an exempted Company with limited liability in the Cayman Islands)

SPECIAL RESOLUTION

Passed on the 29th day of December, 1997

At an Extraordinary General Meeting of the Company duly convened and held at Suite 51, 5th Floor, New Henry House, 10 Ice House Street, Central, Hong Kong on Monday, 29th December, 1997 at 11:00 a.m., the following resolution was duly passed as a Special Resolution:-

SPECIAL RESOLUTION

“THAT:-

- (a) the existing Article 5 in the Articles of Association of the Company be deleted in its entirety and the following be and is hereby adopted as new Article 5 of the Articles of Association of the Company:-

“5. The investment objective of the Company is to achieve an enhanced earnings stream and capital appreciation from its investments. The investment objective is fundamental and may not be amended except with the approval of members in general meeting. ”

and the investment objective of the Company as set out in the section headed “Investment Objective and Policies” on page 14 of the prospectus dated 25th November, 1993 issued by the Company be and is hereby amended accordingly; and

- (b) Article 13 in the Articles of Association of the Company be deleted in its entirety and the following provisions be and are hereby adopted as the new Article 13 of the Articles of Association of the Company:-

“(a) Subject to the Companies Law, or any other law or so far as not prohibited by any law and subject to any rights conferred on the

holders of any class of shares, the Company shall have the power to purchase or otherwise acquire all or any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a resolution of the shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Hong Kong Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

- (b) Subject to the provisions of the Companies Law and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.
- (c) Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike.

- (d) The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.
- (e) The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its Head Office as the Board shall specify the certificate(s) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.

with effect upon the passing of this Resolution as a special resolution of the Company.”

(Sd.) Peter Fung Yiu Fai

Peter Fung Yiu Fai
(Chairman)

SHK CONVERTIBLES LIMITED

RESOLUTIONS IN WRITING OF THE SOLE MEMBER OF THE COMPANY
PURSUANT TO ARTICLE 54 OF THE ARTICLES OF ASSOCIATION OF THE
COMPANY PASSED ON 24TH NOVEMBER 1993

Pursuant to the authority given by Article 54 of the Articles of Association of the Company, we, the undersigned, being the sole member of the Company for the time being hereby RESOLVE:

SPECIAL RESOLUTIONS

1. THAT the Articles of Association, a copy of which is annexed to these resolutions and signed on behalf of the member for the purpose of identification, be and are hereby adopted as the New Articles of Association of the Company in substitution for and to the exclusion of the existing articles of association.
2. THAT the Memorandum of Association, a copy of which is annexed to these resolutions and signed on behalf of the member for the purpose of identification, be and are hereby adopted as the New Memorandum of Association of the Company in substitution for and to the exclusion of the existing memorandum of association.

ORDINARY RESOLUTIONS

1. THAT the proposed placing and offer (“Placing” and “Offer”) by the Company and Long Oceanic Development Limited of an aggregate of 60,000,000 Shares upon the terms set out in the prospectus intended to be dated and issued generally on 25th November 1993 (a copy of which has been signed on behalf of the member for the purpose of identification) be and is hereby approved and the allotment, issue and registration of transfer of shares by the Directors pursuant thereto is hereby unconditionally approved.
2. THAT:
 - (a) subject to paragraph (c) of this resolution, the exercise by the directors during the Relevant Period (as defined below) of all powers of the Company

to allot Shares and to make and grant offers, agreements and options which would or might require Shares to be allotted be and is hereby generally and unconditionally approved;

- (b) the approval mentioned in paragraph (a) approves during the Relevant Period the making and granting of offers, agreements and options by the Directors which would or might require Shares to be allotted after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors pursuant to the approval mentioned in paragraph (a), otherwise than pursuant to Shares issued as a result of a Rights Issue (as hereinafter defined), is not approved if it shall exceed the sum of (i) 20 per cent. of the aggregate nominal amount of the issued share capital of the Company in issue and to be issued as mentioned in the Prospectus and (ii) the aggregate nominal amount of the share capital of the Company purchased under the authority given pursuant to resolution 3, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

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

“Rights Issue” means an offer of Shares open for a period fixed by the directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in

relation to fractional entitlements or legal or practical problems under the rules of the Stock Exchange or any recognized regulatory body in Hong Kong).

3. THAT:

- (a) the Directors are hereby authorized during the Relevant Period as defined in resolution 2 to exercise all the powers of the Company to purchase Shares on the Hong Kong Stock Exchange (“Stock Exchange”) in such manner and on such terms as the Directors think fit but subject to the Rules Governing the Listing of Securities published by the Stock Exchange; and
- (b) the aggregate nominal amount of Shares to be purchased by the Company pursuant to the approval mentioned in paragraph (a) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue immediately following the Placing and the Offer, and the said approval shall be limited accordingly.

(sd.) Peter Yiu-Fai Fung

Director duly authorized
for and on behalf of
Long Oceanic Development Limited

[COPY]

Certificate of Incorporation On Change Of Name

I DO HEREBY CERTIFY that

SHK CONVERTIBLES LIMITED

*having by Special Resolution dated 11th of February 1998
changed its name, is now incorporated under the name of*

HARMONY ASSET LIMITED

*Given under my hand and Seal at George
Town in the Island of Grand Cayman this
Twelfth day of February One Thousand
Nine Hundred Ninety-Eight*

(Sd.)

**An Authorised Officer,
Registry of Companies,
Cayman Islands, B.W. I.**



[COPY]

Certificate of Incorporation

I, CINDY YVONNE JEFFERSON Deputy Registrar of Companies of the Cayman Islands DO HEREBY CERTIFY, pursuant to the Companies Law (Revised), that all the requirements of the said Law in respect of registration were complied with by

SHK CONVERTIBLES LIMITED

an Exempted Company incorporated in the Cayman Islands with Limited Liability with effect from the 28th Day of September One Thousand Nine Hundred Ninety-Three

Given under my hand and Seal at George Town in the Island of Grand Cayman this Twenty-Eighth day of September One Thousand Nine Hundred Ninety-Three

(SGD. C.Y. JEFFERSON)

**Deputy Registrar
of Companies, Cayman Islands, B.W.I.**



THE COMPANIES LAW (REVISED)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

(as amended by special resolution on 24th November 1993)

OF

HARMONY ASSET LIMITED

- *1. The name of the Company is HARMONY ASSET LIMITED.
- 2. The Registered Office of the Company shall be situate at the offices of Field Secretaries (Cayman) Ltd., Butterfield House, P.O. Box 705, George Town, Grand Cayman, British West Indies or at such other place as the Directors may from time to time decide.
- 3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - (a) (i) To carry on business as an investment holding company and to buy, sell and deal in, acquire, invest in and hold by way of investment notes, bonds, obligations, certificates of deposit, treasury bills, trade bills, bank acceptances, bills of exchange, monetary instruments, currency, shares, stocks, notes convertible into shares or stocks, debentures, debenture stock, financial futures contracts, warrants, rights of property, contractual obligations and rights of any kind, options of all kinds and securities of all kinds created, issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, in any part of the world, or by any company, equity joint venture, enterprise, business organisation, bank, association or partnership, whether with limited or unlimited liability, constituted or carrying on business in any part of the world, units of participation in any unit trust scheme, mutual fund or collective investment scheme in any part of the world, policies of assurances and any rights and interests to or in any of the foregoing (whether issued or to be issued), and from time to time to sell, deal in, vary or dispose of any of the foregoing.

**By a Special Resolution passed on 11th February, 1998, and with the approval of the Registrar of Companies, the Company changed its name from "SHK CONVERTIBLES LIMITED" to "HARMONY ASSET LIMITED" on 12th February, 1998. Pursuant to a special resolution passed on 22nd June, 2007, the Company adopted 亨亞有限公司 as its corporate Chinese name.*

- (ii) To acquire any such shares, stocks, options, debentures, debenture stock, bonds, convertible notes, obligations, currencies, certificates of deposit, bills of exchange, securities, units, participation, policies of assurance, rights or interests aforesaid by original subscription, tender, purchase, exchange or otherwise, to subscribe for the same either conditionally or otherwise, to enter into underwriting and similar contracts with respect thereto and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
 - (iii) To receive monies on deposit or loan and to borrow or raise money in any currency with or without security and to secure or discharge any debt or obligations of or binding on the Company in any manner and in particular but without limitation by the issue of debentures, notes or bonds and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien against the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital.
- (b) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company, business or enterprise in which the Company is interested upon such terms as may be thought fit.
- (c) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, convertible notes, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.

- (d) To subscribe for, conditionally or unconditionally to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares, debentures, convertible notes and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, joint venture, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
- (e) To stand surety for or to guarantee, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration therefor.
- (f) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors of the Company capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors or the Company likely to be profitable to the Company.

In the interpretation of this Memorandum of Association in general and of this clause 3 in particular no object, business or power specified or mentioned shall be limited or restricted by reference to or inference from any other object, business or power, or the name of the Company, or by the juxtaposition of two or more objects, businesses or powers and that, in the event of any ambiguity in this clause or elsewhere in this Memorandum of Association, the same shall be resolved by such interpretation and construction as will widen and enlarge and not restrict the objects, businesses and powers of and exercisable by the Company.

4. The Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 6(4) of the Companies Law (Revised).

5. The Company shall have and be capable of from time to time and at all times exercising any and all of the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided in Section 26(2) of the Companies Law and any and all of the powers at any time or from time to time exercisable by a natural person or body corporate in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz:

to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, debenture stock, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to seek a listing for the Shares, warrants or debentures of the Company on any Stock Exchange; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to members of the Company; to contract with persons for the provision of advice, the management and custody of the Company's assets, the listing of the Company's assets and its administration; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid.

6. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Law, 1989, or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Law, 1979 (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Law, 1984.
7. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
8. The liability of the members is limited.
- *9. The capital of the Company is HK\$1,000,000.00 divided into 100,000,000 shares of a nominal or par value of HK\$0.01 each provided always that subject to the provisions of the Companies Law (Revised) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of from and to issue all or any part of its capital, whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers hereinbefore contained.
10. The Company may exercise the power contained in Section 217 of the Companies Law (Revised) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

***Notes:-**

1. *By a Special Resolution passed on 20th May, 1998, the authorised share capital of the Company was increased from HK\$1,000,000.00 to HK\$14,000,000.00 by the creation of an additional 1,300,000,000 shares of HK\$0.01 each.*
2. *By an Ordinary Resolution passed on 22nd May, 2000, the authorised share capital of the Company was increased from HK\$14,000,000.00 to HK\$100,000,000.00 by the creation of an additional 8,600,000,000 shares of HK\$0.01 each.*
3. *By an Ordinary Resolution passed on 23rd January, 2003, every 20 shares of HK\$0.01 each in the share capital of the Company were consolidated into one share of HK\$0.20 each with effect from 24th January, 2003.*
4. *By an Ordinary Resolution passed on 13th December, 2006, every 5 shares of HK\$0.20 each in the share capital of the Company were consolidated into one share of HK\$1.00 each with effect from 14th December, 2006.*

The undersigned, whose names, addresses and description is subscribed, is desirous of being formed into a Company in pursuance of this Memorandum of Association, and agrees to take the number of shares in the capital of the Company set opposite his name.

NAMES, ADDRESS AND
DESCRIPTION OF SUBSCRIBER

NUMBER OF SHARES
TAKEN BY SUBSCRIBER

STEVEN A. RAMSDEN
P.O. BOX 265
Grand Cayman

One Ordinary Share

(Sgd.) Steven A. Ramsden

Attorney-at-Law

28th September 1993

(Sgd.) M. SIMMONS

Witness to the above signature: M. Simmons

Address: P.O. Box 265, Grand Cayman

Occupation: Secretary

THE COMPANIES LAW

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HARMONY ASSET LIMITED*

1. The regulations set out in Table A in the Schedule to the Statute shall not apply as regulations or Articles of the Company.
2. In these Articles unless the context otherwise requires:-

“**Articles**” means these Articles as originally framed or as from time to time altered by Special Resolution.

“**Assets**” means all the assets of any description of the Company wheresoever and howsoever located.

“**Associate**” in relation to any Director, has the meaning as defined in the Listing Rules.

The “**Auditors**” means the persons for the time being performing the duties of auditors of the Company.

The “**Board**” means the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present as the context may require.

“**Business Day**” means a day (other than a Saturday) on which banks are open for business in Hong Kong.

“**Clearing House**” means a clearing house within the meaning of the Securities and Futures Ordinance (chapter 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.

**By a Special Resolution passed on 11th February, 1998, and with the approval of the Registrar of Companies, the Company changed its name from “SHK CONVERTIBLES LIMITED” to “HARMONY ASSET LIMITED” on 12th February, 1998. Pursuant to a special resolution passed on 22nd June, 2007, the Company adopted 亨亞有限公司 as its corporate Chinese name.*

“Companies Law” means the Companies Law (Revised) of the Cayman Islands as amended, modified or re-enacted from time to time and every statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies insofar as it applies to the Company.

“Companies Ordinance” means the Companies Ordinance Chapter 32 of the Laws of Hong Kong in force at the time of adoption of these Articles.

The **“Company”** means the above named Company.

The **“Custodian”** means the corporation appointed and for the time being acting as custodian of the assets of the Company pursuant to Article 109(c) and if at any time there is more than one such custodian, any reference in these Articles to the “Custodian” shall be deemed to refer to each of the custodians so appointed.

“Debenture” means debenture stock, mortgages, bonds and any other such securities of the Company whether constituting a charge on the assets of the Company or not.

“Director” means a director for the time being of the Company.

“Dividend” includes bonus.

“Electronic communication” shall mean a communication sent by electronic transmission in any form through any medium.

“Entitled person” shall mean an “entitled person” as defined under section 2(1) of the Companies Ordinance.

“Executive Director” means a Managing Director, Joint Managing Director or Assistant Managing Director of the Company or a Director who is the holder of any other employment or executive office with the Company.

“Head Office” means such office of the Company as the Directors may from time to time determine to be the principal office of the Company.

“the holder” in relation to any share means the Member whose name is entered in the Register as the holder of such share.

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

“Investment Manager” means any person, firm or corporation appointed by the Company pursuant to Article 109(a) and for the time being acting as investment manager for the Company and if at any time there is more than one such manager, any reference in these Articles to the “Investment Manager” shall be deemed to refer to each of the managers so appointed.

“Listing Rules” means the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and any amendments thereto for the time being in force.

“Member” means a person who is registered as the holder of shares in the Register including persons who are jointly so registered.

“Month” means calendar month.

“Net Asset Value” means the amount by which the assets of the Company exceed its liabilities, as determined in accordance with Article 110.

“Ordinary Shares” means a share in the capital of the Company of HK\$1.00 nominal value designated as an Ordinary Share and having the rights and subject to the restrictions attached thereto as provided for in these Articles.

“Ordinary Resolution” means a resolution passed by a simple majority of the votes of such members as, being entitled so to do, vote in person or, in the case of corporations, by their duly authorized representatives or, where proxies are allowed, by proxy or, on a poll by a simple majority of the shares cast on such poll at a general meeting held in accordance with these Articles.

“Recognized Stock Exchange” means the Hong Kong Stock Exchange or any other stock exchange or market (including any over-the-counter market) or association of dealers of repute in securities in any part of the world on which the issued ordinary share capital of the Company is for the time being listed (and so that if such capital is so listed on more than one such exchange, market or association the “Recognized Stock Exchange” shall mean such one of them such as is determined by the Board as that on which the Company has a primary listing).

“Register” means the Register of Members or any branch Register of Members to be kept pursuant to Article 36.

The **“Registered Office”** means the registered office for the time being of the Company.

The **“Registrar”** means the person, firm or corporation appointed and for the time being acting as registrar and transfer agent of the Company pursuant to Article 109(b) and if at any time there is more than one such registrar, any reference these Articles to the “Registrar” shall be deemed to refer to each of the registrars so appointed.

“paid-up” means paid-up and/or credited as paid-up.

“Seal” means (i) the common seal of the Company and includes every duplicate seal kept by the Company for use outside the Cayman Islands in accordance with the Companies Law; and (ii) a duplicate seal with the addition on its face of the word “securities” for use by the Company for sealing documents creating or evidencing securities issued by the Company.

“Secretary” includes an Assistant Secretary and any person appointed by the Board to perform the duties of Secretary of the Company.

“share” means a share in the capital of the Company.

“signed” includes a signature or facsimile of a signature affixed by mechanical means.

“Special Resolution” has the meaning ascribed thereto in section 59 of the Companies Law; and for this purpose the requisite majority shall be not less than three-fourths of such members as, being entitled so to do, vote in person or, in the case of corporations, by their duly authorized representatives or, where proxies are allowed, by proxy or, on a poll by a majority of not less than three-fourths of the shares cast on such poll at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given; PROVIDED THAT, as permitted by section 59 of the Companies Law, a special resolution may be approved in writing by all of the members entitled to vote at a general meeting of the Company in one or more instruments each signed by one

or more of such members, and the effective date of the special resolution so adopted shall be the date on which the instrument, or the last of such instruments (if more than one), is executed.

“**Valuation Date**” means the last dealing day on the Hong Kong Stock Exchange in each of March, June, September and December of each year.

The expressions “**holding company**” and “**subsidiary**” have the respective meanings ascribed to them by the Companies Ordinance.

The word “**may**” shall be construed as permissive and the word “**shall**” as imperative.

“**Warrant**” means a warrant to subscribe for a share or shares.

“**Written**” or “**In Writing**” or “**printed**” shall include written or printed or printed by lithography or printed by photography or typewritten or produced by any other mode of representing words or figures in a visible form or, to such extent permitted by, and in accordance with all applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or partly in one visible form and partly in another visible form.

Where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

Any reference to a numbered Article shall be a reference to the relative numbered Article of these Articles.

References to a “**meeting**” shall not be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person.

Words denoting the singular shall include the plural number and vice-versa.

Words importing the masculine gender shall include the feminine gender.

Words importing persons shall include corporations.

3. The business of the Company may be commenced as soon after incorporation as the Board shall see fit, notwithstanding that part only of the shares may have been allotted.

4. The Board may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company including the expenses of registration and in or about any initial or subsequent issues of any of its share capital or loan capital and the listing of the same on the Hong Kong Stock Exchange or any other Recognized Stock Exchange. Such expenses may be apportioned over such period and at such rate as the Board may determine and the amount so paid shall, in the accounts of the Company, be charged against income and/or capital as determined by the Board.

INVESTMENT OBJECTIVE

5. The investment objective of the Company is to achieve an enhanced earnings stream and capital appreciation from its investments. The investment objective is fundamental and may not be amended except with the approval of members in general meeting.

SHARE CAPITAL

6. The share capital of the Company on 18th June, 2004 is HK\$100,000,000.00 divided into 500,000,000 Ordinary Shares of HK\$0.20 each respectively having attached thereto the rights hereinafter set out.

ISSUE OF SHARES AND WARRANTS

7.
 - (a) Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights previously conferred on the holders of existing shares, the Board may allot, issue, grant options over or otherwise dispose of shares of the Company with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, at such times and for such consideration and on such terms and conditions as they think proper.
 - (b) The Directors may issue warrants to subscribe for any class of shares or securities of the Company on such terms as they may from time to time determine.
 - (c) A share shall not be issued for consideration in the form of promissory notes or future services or for cash or other non-cash consideration that is less in value than the greater of its fair market value, as determined by the Board, or the nominal value of the shares of the Company.

CERTIFICATES FOR SHARES

8. (a) The Company shall maintain a register of its Members and every person whose name is entered as a Member in the Register shall be entitled without payment to receive after allotment or lodgement of a transfer to him of the shares in respect of which he is so registered one certificate for all his shares of each class or several certificates each for one or more of his shares of each class upon payment such fee as the Board shall from time to time determine provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of the several joint holders shall be sufficient delivery to all such holders. A Member who has transferred part of the shares comprised in his registered holding shall be entitled to a certificate for the balance without charge.
- (b) Certificates representing shares of the Company shall be in such form as shall be determined by the Board. Such certificates shall be under the Seal including, for this purpose, by the printed facsimile of the Seal provided that the Board may by resolution determine that such certificates need not be signed by any person or may by resolution determine that such certificates need not be issued under the Seal, but may be issued under the signature of any person authorised by the Board for such purpose. All certificates for shares shall be consecutively numbered or otherwise identified and shall specify the shares to which they relate. The name and address of the person to whom the shares represented thereby are issued, with the number and class of shares and date of issue, shall be entered in the register of members of the Company. All certificates surrendered to the Company for transfer shall be cancelled and no new certificate shall be issued until the former certificate for at least a like number of shares of the same class shall have been surrendered and cancelled. The Board may authorize certificates to be issued with the Seal and authorized signature(s) affixed by some method or system of mechanical process.
- (c) Notwithstanding Article 8(b) of these Articles, if a share certificate be defaced, lost or destroyed, it may be renewed on payment of a fee and on such terms (if any) as to evidence and indemnity and the payment of the expenses incurred by the Company in investigating evidence, as the Board may prescribe and where it is defaced or worn out, after delivery up of the old certificate to the Company for cancellation.

TRANSFER OF SHARES AND WARRANTS

9. Subject to such of the restrictions of the Articles as may be applicable, any Member of the Company may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form which the Board may approve.
10. The instrument of transfer of any share shall be in writing and shall be executed by or on behalf of the transferor and by the transferee. The Board may resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept machine imprint signatures on the instrument of transfer. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register in respect thereof. All instruments of transfer, when registered, shall be retained by the Company.
11. (a) The Board may without assigning any reason therefor decline to register any transfer of any share which is not a fully paid share. The Board may also without assigning any reason therefor decline to register any transfer of any other shares unless:-
 - (i) the instrument of transfer is lodged (at the office of the Registrar of the Company in Hong Kong, or such other place as the Board may direct) with the Company accompanied by the certificate for the shares to which it relates (which shall upon registration be cancelled), and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (ii) the instrument of transfer is in respect of only one class of share; and
 - (iii) the instrument of transfer is properly stamped (in circumstances where stamping is required); and
 - (iv) in the case of a transfer to joint holders, the number of joint holders does not exceed four; and
 - (v) the shares concerned are free of any lien in favour of the Company; and
 - (vi) such fee (if any) as the Board may from time to time require is paid to the Company in respect thereof.

- (b) If the Board refuse to register a transfer they shall, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.
- 12. The registration of transfers may, on notice being given by advertisement in such one or more newspapers as the Board may determine, be suspended at such time and for such periods as the Board may from time to time determine either generally or in respect of any class of shares, provided always that such registration shall not be suspended for more than thirty days in any year (or such longer period as the members of the Company may by Ordinary Resolution determine).

PURCHASE AND REDEMPTION OF SHARES OR WARRANTS

- 13. (a) Subject to the Companies Law, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire all or any of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a resolution of the shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Hong Kong Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.
- (b) Subject to the provisions of the Companies Law and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

- (c) Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike.
- (d) The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share.
- (e) The holder of the shares being purchased, surrendered or redeemed shall be bound to deliver up to the Company at its Head Office as the Board shall specify the certificate(s) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies in respect thereof.
- (f) Without prejudice to the other provisions in these Articles, where the Company proposes a plan of amalgamation, reconstruction or arrangement of the Company which will result in shares of any shareholder being compulsorily acquired or cancelled (the “Plan”) and which does not under applicable law require the approval of the Cayman court, a general meeting of the Company must be held to seek the approval of the shareholders and the notice of the said general meeting must include or be accompanied by a copy or summary of the Plan and state (i) the fair value of the shares in cash as determined by the Company and (ii) that a dissenting shareholder is entitled to be paid the fair value of his shares. Any shareholder whose shares will be subject to repurchase or cancelled under the Plan and who did not vote in favour of the Plan which has subsequently been approved in accordance with these Articles and applicable laws and is not satisfied that he has been offered fair value for his shares pursuant to the Plan (the “Dissenting Shareholder”) may within one month of the holding of the said general meeting apply to the Company to have the fair value of his shares appraised by an independent qualified appraiser appointed by the Company. The Company shall then pay to the Dissenting Shareholder an amount equal to the value of his shares as appraised by the independent qualified appraiser within one month upon completion of the appraisal. In the case where the Plan by law requires the approval of the Cayman court, the Company shall ensure that the Plan includes appraisal rights to Dissenting Shareholders on the terms substantially similar to the provisions set out in this Article. For the avoidance of doubt, a Dissenting Shareholder shall only be entitled to receive the amount appraised by the independent qualified appraiser and shall not be entitled to receive, in addition, the consideration such Dissenting Shareholder would otherwise be entitled under the Plan. The effectiveness or completion of the Plan shall not be affected by the appraisal right of a Dissenting Shareholder under this Article.

VARIATION OF RIGHTS OF SHARES

14. (a) If at any time the capital of the Company is divided into different classes of shares, all or any of the rights for the time being attached to any class of shares for the time being issued (unless otherwise provided by the terms of the issue of the shares of that class or of these Articles) may, subject to the provisions of the Companies Law, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a resolution passed at a separate general meeting of the holders of the shares of that class by a majority of not less than three-fourths of such holders as, being entitled to do so, vote in person, or in the case of corporations by their duly authorized representatives or, where proxies are allowed, by proxy or, on a poll by a majority of not less than three-fourths of the shares cast on such poll.
- (b) To any such separate general meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of the class and that any Member holding shares of that class present in person or by proxy may demand a poll.
15. (a) The rights conferred upon the holders of shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or subsequent thereto. The above provisions shall apply to the variation or abrogation of the 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 rights whereof are to be varied or abrogated.
- (b) The rights attached to the Ordinary shares shall be deemed to be varied by the creation or issue of any other class or classes of shares ranking in priority to them as respects participation in the profits or assets of the Company.

COMMISSION ON SALE OF SHARES

16. The Company may in so far as the Companies Law from time to time permits pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally for any shares or Warrants of the Company) or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or Warrants of the Company. Such commissions may be satisfied by the payment of cash or the allotment of fully or partly paid-up shares or partly in one way and partly in the other. The Company may also on any issue of shares or Warrants pay such brokerage as may be lawful.

NON-RECOGNITION OF TRUSTS

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

LIEN ON SHARES

18. The Company shall have a first and paramount lien on all shares (not being fully paid-up) registered in the name of a Member (whether solely or jointly with others) for all debts, liabilities or engagements to or with the Company (whether presently payable or not) by such Member or his estate, either alone or jointly with any other person, whether a Member or not, but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall extend to all dividends or other monies payable in respect thereof.
19. The Company may sell, in such manner as the Board think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable and giving

notice of the intention to sell in default of such payment, has been given to the registered holder or holders for the time being or the person, of which the Company has notice, entitled thereto by reason of his death or bankruptcy.

20. To give effect to any such sale the Board may authorize any person to transfer the shares sold to the purchaser thereof. Subject to Article 12 the purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
21. The net proceeds of the sale by the Company of any share on which it has a lien, after payment of the costs of such sale, shall be applied in or towards payment or discharge of the debt or liability in respect of which 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 share prior to the sale and upon surrender, if required by the Company, for cancellation of the certificate for the share sold) be paid to the holder immediately before such sale of the share.

CALL ON SHARES

22. (a) The Board may from time to time make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium or otherwise) and not by the conditions of issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on the shares. A call may be revoked or postponed as the Board may determine. A call may be made payable by instalments.
- (b) A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
- (c) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

- (d) A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the Shares in respect of which the call was made.
23. If a sum called in respect of a share is not paid before or on a day appointed for payment thereof, the persons from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding fifteen per cent per annum as the Board may determine, but the Board shall be at liberty to waive payment of such interest either wholly or in part.
24. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium or otherwise, shall for the purposes of these Articles be deemed to be a call duly made, notified and payable on the date on which by the terms of issue the same becomes payable, and in the case of non-payment all the relevant provisions of these Articles as to payment of interest forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board may, on the issue of shares, differentiate between the allottees or holders as to the amount of calls or interest to be paid and the times of payment.
26. (a) The Board may, if they think fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him, and upon all or any of the monies so advanced may (until the same would but for such advances, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) ten per cent (10%) per annum, as may be agreed upon between the Board and the Member paying such sum in advance.
- (b) No such sum paid in advance of calls shall entitle the Member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

FORFEITURE OF SHARES

27. (a) If any call or instalment of a call remains unpaid on any share after the day appointed for payment thereof, the Board may at any time serve a notice on the holder of such share requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- (b) The notice shall name a further day (not being less than fourteen days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made and shall state that in the event of non-payment on or before the day and at the place appointed, the shares in respect of which such call was made or instalment is unpaid will be liable to be forfeited. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture shall include surrender.
- (c) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- (d) When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share; but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
- (e) A forfeited share shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was, before forfeiture, the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Board shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board may think fit, but so that unless such share shall have been previously disposed of the Board shall cancel the same not later than three years from the date of forfeiture.

28. A person whose shares have been forfeited shall thereupon cease to be a Member in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were presently payable by him to the Company in respect of the shares with interest thereon at the rate fixed by the terms of issue of the shares or, if no such rate is fixed, at the rate of 15 per cent per annum (or such lower rate as the Board may determine) from the date of forfeiture until payment, and the Company may enforce payment without being under any obligation to make any allowance for the value of the shares forfeited or for any consideration received on their disposal.
29. A statutory declaration (complying with the Oaths and Declarations Ordinance, Chapter 11 of the Laws of Hong Kong) that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited on the 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 the sale, re-allotment or disposition thereof and the Board may authorise some person to transfer the share to the person to whom the same is sold, re-allotted 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 relating to the forfeiture, sale, re-allotment or disposal of the share.
30. 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.

REGISTRATION OF EMPOWERING INSTRUMENTS

31. The Company shall be entitled to charge a fee as the Board shall from time to time determine on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

TRANSMISSION OF SHARES

32. In case of the death of a Member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of any such deceased holder from any liability in respect of any shares which had been held by him solely or jointly with other persons.
33. (a) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member (or in any other way than by transfer) may, upon such evidence 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 make such transfer of the share to such other person nominated by him as the deceased or bankrupt person could have made and to have such person registered as the transferee thereof, but all the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable and the Board shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by that Member before his death or bankruptcy as the case may be.
- (b) If the person so becoming entitled shall elect to be registered himself as holder he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
34. A person becoming entitled to a share in consequence of the death or bankruptcy of a Member or otherwise by operation of law shall (upon such evidence being produced as may from time to time be required by the Board as to his entitlement) be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of the share to receive notices of or to attend or vote at general meetings of the Company or at any separate meeting of the holders of any class of shares in the Company or, save as aforesaid, to exercise in respect of the share any of the rights or privileges of a Member until he shall have become registered as the holder thereof. The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within sixty days the Board may thereafter withhold payment of all dividends and

other moneys payable in respect of the share until the requirements of the notice have been complied with.

**AMENDMENT OF MEMORANDUM OF ASSOCIATION, CHANGE OF
LOCATION OF REGISTERED OFFICE & ALTERATION OF CAPITAL**

35. (a) Subject to and in so far as permitted by the provisions of the Companies Law, the Company may from time to time by Special Resolution alter or amend its Memorandum of Association and may, without restricting the generality of the foregoing:
- (i) by Special Resolution increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe and subject always to Articles 14 and 15 with such rights, priorities and privileges annexed thereto, as the resolution shall prescribe;
 - (ii) by Ordinary Resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (iii) by Ordinary Resolution by subdivision of its existing shares or any of them divide the whole or any part of its share capital into shares of smaller amount than is fixed by the Memorandum of Association and subject always to Articles 14 and 15 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 or qualified rights or be subject to any such restrictions as compared with, the other or others as the Company has power to attach to unissued or new shares;
 - (iv) by Ordinary Resolution 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 authorised share capital by the amount of the shares so cancelled;

- (v) by Special Resolution subject always to Articles 14 and 15 divide its shares into several classes and attach thereto respectively any special rights privileges and/or restrictions (including as to dividends distributions or voting).
- (b) Unless otherwise provided herein or by the terms of issue, all new shares created hereunder shall be subject to the same provisions with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.
- (c) Subject to the provisions of the Companies Law the Company may by Special Resolution change its name or alter its objects.
- (d) Subject to the provisions of the Companies Law the Company may by Special Resolution reduce its share capital, any capital redemption reserve, or any share premium account.
- (e) Subject to the provisions of the Companies Law the Company may by resolution of the Board change the location of its registered office.
- (f) Subject to the Companies Law the Company may, by the resolution increasing the capital, direct that the new shares or any of them shall be offered in the first instance to all the holders for the time of shares of any class or classes in proportion to the number of such shares held by them respectively or may make any other provisions as to issue of the new shares.
- (g) Where any difficulty arises in regard to any consolidation and division under paragraph (a) of this Article, the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to or in accordance with the directions of the purchaser thereof. The transferee 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.

REGISTER OF MEMBERS

36. (a) The Board shall keep or cause to be kept one or more Registers in such place or places as the Board shall determine. If two or more Registers are kept (being a principal Register and one or more branch Registers or being duplicates of each other), there shall be entered in the principal Register:
- (i) the names and addresses of all the Members and a statement of the number and class of shares in the Company held by each Member and the amount paid up thereon;
 - (ii) the date on which the name of any person was entered in the Register as a Member in respect of any share in the Company; and
 - (iii) the date on which any person ceased to be a Member or ceased to hold any shares in the Company.
- (b) The Registers shall be kept in such manner as to show at all times the Members for the time being and the shares respectively held by them.
- (c) The Registers may, on notice being given by advertisement in such one or more newspapers as the Board may determine, be closed at such times and for such periods as the Board may from time to time determine either generally or in respect of any class of shares, provided that the Registers shall not be closed for more than thirty days in any year (or such longer period as the members may by Ordinary Resolution determine provided that such period shall not be extended beyond sixty days in any one year).
37. Any Register of Members or copy of Register of Members kept in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by any Member of the Company without charge and by any other person on payment of such fee as the Board may determine for each inspection.

CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

38. For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend, or in order to make a determination of Members for any other proper purpose, the Board of the Company may provide that the Register of Members shall on notice being given by advertisement in such one or more newspapers circulating in the territory where the Recognized Stock Exchange is located and elsewhere as the Board may determine be closed for such periods as the Board may from time to time determine either generally or in respect of any class of shares provided that the Register of Members shall not be closed for a period of more than thirty (30) days in any year or such longer period as the Members may by Ordinary Resolution determine provided that such period shall not be extended beyond sixty days in any one year.
39. In lieu of or apart from closing the Register of Members, the Board may fix in advance a date as the record date for any such determination of Members entitled to notice of or to vote at a meeting of the Members and for the purpose of determining the Members entitled to receive payment of any dividend the Board may, at or within 90 days prior to the date of declaration of such dividend fix a subsequent date as the record date for such determination, such record date to be no more than six and no less than four weeks before the date of payment.
40. If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members or Members entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this section, such determination shall apply to any adjournment thereof.

GENERAL MEETINGS

41. (a) The Company shall in each year commencing in 1995 hold a general meeting as its Annual General Meeting in addition to any other general meeting in that year and shall specify the meeting as such in the notices calling it. The Annual General Meeting shall be held at such time and place

as the Board shall appoint. Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

- (b) All general meetings other than Annual General Meetings shall be called extraordinary general meetings.
42. (a) The Board may whenever they think fit, and they shall on the requisition of Members of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, proceed to convene a general meeting of the Company.
- (b) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office and may consist of several documents in like form each signed by one or more requisitionists.
 - (c) If the Board do not within twenty-one days from the date of the deposit of the requisition duly proceed to convene a general meeting, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three months after the expiration of the said twenty-one days.
 - (d) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by the Board.

NOTICE OF GENERAL MEETINGS

43. At least twenty-one days' notice in writing shall be given of an Annual General Meeting or any extraordinary general meeting at which a special resolution is to be proposed and at least fourteen days' notice in writing shall be given of any other general meeting. Every notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the time, place and agenda of the meeting and in the case of special business, the general nature of that business and particulars of the resolutions to be considered thereat and shall be given in manner hereinafter mentioned or in

such other manner if any as may be prescribed by the Company PROVIDED that a general meeting of the Company at which one or more than one Ordinary Resolutions only are proposed shall, whether or not the notice specified in this regulation has been given and whether or not the provisions of Article 136 have been complied with, be deemed to have been duly convened if it is so agreed by all the Members entitled to attend and vote thereat or their proxies.

44. 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 the following, which shall be ordinary business:-
- (a) the declaration and sanctioning of dividends;
 - (b) the consideration and adoption of the accounts and balance sheet and the reports of the Board and the auditors;
 - (c) elections to the Board in place of those retiring;
 - (d) the appointment of auditors; and
 - (e) the fixing of, or the determining of the method of fixing, the remuneration of the Board and of the auditors.
45. (a) The accidental omission to send a form of proxy or give notice of a general meeting to, or the non-receipt of a form of proxy or notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings of that meeting.
- (b) Every notice of a general meeting shall state with reasonable prominence that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote thereat instead of him and that a proxy need not be a Member.

PROCEEDINGS AT GENERAL MEETINGS

46. No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business; save as otherwise provided in these Articles two (2) Members present in person or by

proxy shall be a quorum provided always that if the Company has only one shareholder of record the quorum shall be that one (1) Member present in person or by proxy. The absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.

47. Subject and without prejudice to any provisions of the Companies Law, a resolution in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (corporations signing by their duly authorized representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.
48. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved and in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other time or such other place as the directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum.
49. The Chairman, if any, of the Board of Directors shall preside as Chairman at every general meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Board present shall elect one of their number to be Chairman of the meeting.
50. If at any general meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be Chairman of the meeting.
51. The Chairman may, with the consent of any general meeting duly constituted hereunder, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for three months or more, notice of the adjourned meeting shall be given as in the case of

an original meeting; save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting.

52. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless, (before or on the declaration of the result of the show of hands, or on the withdrawal of any other demand for a poll), a poll is duly demanded or unless a poll is taken as may from time to time be required under the Listing Rules. A poll may be demanded by:-
- (a) the chairman of the meeting; or
 - (b) at least three Members present in person or by proxy and entitled to vote; or
 - (c) any Member or Members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Members having the right to attend and vote at the meeting; or
 - (d) any Member or Members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.
53. Unless a poll be so demanded or unless a poll is taken as may from time to time be required under the Listing Rules 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 Company's Minute Book containing the Minutes of the proceedings of the meeting shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
54. The demand for a poll may be withdrawn.
55. Except as provided in Article 57, if a poll is duly demanded it shall be taken in such manner as the Chairman directs (and he may appoint scrutineers who need not be Members) and the result of the poll shall be deemed to be the resolution of the general meeting at which the poll was demanded.

56. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the general meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
57. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the general meeting directs and any business other than that upon which a poll has been demanded or is contingent thereon may be proceeded with pending the taking of the poll.
58. A corporation being a Member shall be deemed for the purposes of these Articles to be present in person if represented by proxy or by its duly authorized representative, being the person appointed by resolution of the Board or other governing body of such corporation to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

VOTES OF MEMBERS

59. At a general meeting on a show of hands every Member of record present in person (or, in the case of a Member being a corporation by its duly authorized representative) or by proxy shall have one vote and, subject to any special rights, privileges or restrictions for the time being attached to any class or classes of shares on a poll every Member of record present in person (or, in the case of a Member being a corporation by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register.
60. In the case of joint holders of record the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.
61. A Member in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from a mental disorder or is otherwise incapable of managing his affairs, may vote, whether on a show of hands or on a poll, by any other person authorized in such circumstances to do so, and any such person may vote on a poll 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 at the Registered Office (or at such other place as may be specified in accordance with these Articles for the delivery of instruments appointing a proxy) not later than the last time at which a valid instrument of proxy could be so delivered.

62. No Member shall unless the Board otherwise determine, be entitled to vote at any general meeting unless he is registered as a shareholder of the Company on the record date for such meeting and unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
63. (a) No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered and every vote not disallowed at such general meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the general meeting whose decision shall be final and conclusive.

(b) Where any Member is, under the applicable laws or the Listing Rules from time to time, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
64. On a poll votes may be given either personally or by proxy. On a poll a Member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
65. Notwithstanding any other provision of these Articles, neither the Investment Manager nor the Custodian (nor any connected person (as such term is defined in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time) of the relevant one of them) shall be entitled to cast any vote in respect of shares beneficially owned by it in relation to any resolution in which it or any of its associates (as such term is defined in the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange, as amended from time to time) has a material interest nor in such circumstances shall such shares be taken into account for the purposes of establishing whether or not a quorum is present.

PROXIES

66. A proxy need not be a Member.
67. Instruments of proxy shall be in any common form or in such other form as the Board may approve and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
68. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
69. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the Registered Office (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than twenty-four hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid provided always that the Chairman of the Meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date specified in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting or poll concerned.

70. A vote given or poll demanded in accordance with the terms of an instrument of proxy or appointment of the authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or prior determination of the authority of the person voting or demanding a poll, or the transfer of the share in respect of which the proxy or authority is given provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Registered Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) one hour at least before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
71. (a) Any corporation which is a Member of record of the Company may in accordance with its Articles or in the absence of such provision by resolution of its Board or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company, and the person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual member of record of the Company.
- (b) If a Clearing House (or its nominee) is a member of the Company, it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives to the extent permitted by the Companies Ordinance, at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one proxy or corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is so appointed. A person so appointed under the provisions of this Article shall be entitled to exercise the same powers on behalf of the Clearing House (or its nominee) which he represents as that Clearing House (or its nominee) could exercise as if it were an individual member of the Company, including the right to vote individually on a show of hands notwithstanding the provisions of the Article 59.

72. [Intentionally omitted]

POWERS AND DUTIES OF DIRECTORS

73. The business of the Company shall be managed by the Board who may pay all expenses incurred in promoting, registering and setting up the Company, and may exercise all such powers of the Company as are not, from time to time by the Companies Law, or by these Articles, or such regulations, being not inconsistent with the aforesaid, as may be prescribed by the Company in general meeting required to be exercised by the Company in general meeting PROVIDED HOWEVER that no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
74. The Board may from time to time and at any time by powers of attorney appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purpose 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 they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorneys as the Board may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions vested in him. The Directors may also appoint any person to be the agent of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and on such terms as they may determine, including authority for the agent to delegate all or any of his powers.
75. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies 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.
76. The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and

may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

77. (a) 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 or 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.
- (b) The Board on behalf of the Company may exercise all the powers of the Company to grant pensions, annuities or other allowances and benefits in favour of any person including any Director or former Director or the relations, connections or dependants of any Director or former Director provided that no pension, annuity or other allowance or benefit (except such as may be provided for by any other Article) shall be granted to a Director or former Director who has not been an Executive Director or held any other office or place of profit under the Company or any of its subsidiaries or to a person who has no claim on the Company except as a relation, connection or dependant of a Director or former Director without the approval of an Ordinary Resolution of the Company. A Director or former Director shall

not be accountable to the Company or the Members for any benefit of any kind conferred under or pursuant to this Article and the receipt of any such benefit shall not disqualify any person from being or becoming a Director of the Company.

78. (a) Subject to paragraph (b) below, the Board may exercise all the powers of the Company to raise or borrow or 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 and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- (b) The aggregate amount of all moneys borrowed by the Company (including the amount of any loan capital and debentures) which remains outstanding from time to time may not unless the Members in general meeting otherwise approve by Ordinary Resolution exceed an amount representing 50 per cent of the Net Asset Value of the Company at the time when a borrowing is made.
- (c) Notwithstanding the provisions of the immediately preceding paragraphs of this Article no lender or other person dealing with the Company shall be concerned to see or inquire whether the limit imposed by this Article is observed and no borrowing incurred or security given in excess of that limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the borrowing was incurred or security given that the limit had been or was thereby exceeded.

MANAGEMENT

79. (a) The Board may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- (b) The Board from time to time and at any time may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company either in the Cayman Islands or elsewhere and may appoint any

persons to be members of such committees or regional or local boards or appoint any managers or agents (and in particular, but without limitation, may appoint any company, firm or person to be the Company's investment manager) and may fix their remuneration.

- (c) The Board from time to time and at any time may delegate to any such committee, regional or local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Board and may authorize the members for the time being of any such regional or local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and may revoke 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.
- (d) Any such delegates as aforesaid may be authorized by the Board to subdelegate all or any of the powers, authorities, and discretions for the time being vested in them.
- (e) The Board shall cause minutes to be made up and kept in books provided for the purpose:-
 - (i) of all appointments of Officers made by the Board;
 - (ii) of the names of the Board present at each meeting of the Board and of any committee of the Board;
 - (iii) of all resolutions and proceedings at all meetings of the Company and of the holders of any class of shares in the Company and of the Board and of committees of the Board.

Any such minutes, if purporting to be signed by the chairman of the meeting to which they relate or of the meeting at which they are read, shall be sufficient evidence without any further proof of the facts therein stated.

EXECUTIVE DIRECTORS

80. The Board may from time to time appoint one or more of its body to be a Managing Director, Joint Managing Director or Deputy Managing Director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination. An Executive Director shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.
81. The Board may entrust to and confer upon a Managing Director, Joint Managing Director or Deputy Managing Director as aforesaid 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.

PROCEEDINGS OF DIRECTORS

82. The Board may meet together in any part of the world for the despatch of business, convening, adjourning and otherwise regulating their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes of the Directors and Alternate Directors present at a meeting at which there is a quorum, the vote of an Alternate Director not being counted if his appointor be present at such meeting. In case of an equality of votes, the Chairman shall have a second or casting vote.
83. A Director or Alternate Director may, and the Secretary on the requisition of a Director or Alternate Director shall, at any time summon a meeting of the Board by at least 24 hours' notice in writing to every Director and Alternate Director which notice shall set forth the general nature of the business to be considered PROVIDED THAT if notice is given in person, by cable, telex or telecopy the same shall be deemed to have been given on the day it is delivered to the Directors or transmitting organisation as the case may be and PROVIDED

FURTHER THAT such notice requirement shall be dispensed with if all the Directors are present at a meeting of the Directors and they all agree to dispense with such requirement for notice of the meeting.

84. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two, a Director and his appointed Alternate Director being considered only one person for this purpose. For the purposes of this Article an Alternate Director or proxy appointed by a Director shall be counted in a quorum at a meeting at which the Director appointing him is not present.
85. The continuing Board 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 the Board the continuing Board or Director may act for the purpose of increasing the number of the Board to that number, or of summoning a general meeting of the Company, but for no other purpose.
86. The Board may from time to time elect a Chairman of the Board and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Board present may choose one of their number to be Chairman of the meeting.
87. The Board may delegate any of their powers to committees consisting of such member or members of the Board (including Alternate Directors in the absence of their appointors) as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
88. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the Board present, and in the case of an equality of votes the Chairman shall have a second or casting vote.
89. All acts done by any meeting of the Board or of a committee of the Directors (including any person acting as an Alternate Director) shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any

Director or Alternate Director, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and qualified to be a Director or Alternate Director as the case may be.

90. Members of the Board or of any committee thereof may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. A resolution in writing (in one or more counterparts), signed by all the Directors for the time being (provided that number of Directors at that time is sufficient to constitute a quorum) or all the members of a committee of the Board (provided that number is sufficient to constitute a quorum) (an Alternate Director being entitled to sign such resolution on behalf of his appointor) shall be as valid and effectual as if it had been passed at a meeting of the Board or committee as the case may be duly convened and held.
91. A Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 66 to 70 shall apply (mutatis mutandis) to the appointment of proxies by Directors, save that an instrument appointing a proxy shall not become invalid after the expiration of twelve months from its date of execution but shall remain valid for such period as the instrument shall provide, or if no provision is made in the instrument, until revoked in writing.

APPOINTMENT AND REMOVAL OF DIRECTORS

92. The number of Directors shall be not less than two and there shall be no maximum number of Directors. The first directors shall be appointed in writing by, or at a meeting of, the Subscribers to the Company's Memorandum of Association.
93. Without prejudice to the power of the Company in general meeting in pursuance of any of the provisions of these Articles to appoint any person to be a Director, the Board shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the

existing Board, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an addition to the Board), and shall then be eligible for re-election at that meeting.

94. Subject to the provisions of these Articles, the Company may by Ordinary Resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, but so that the total number of Directors shall not at any time exceed the maximum number (if any) fixed by or in accordance with these Articles.
95. The Company may by Ordinary Resolution at any time remove any Director (including a managing or other executive director but without prejudice to any claim for damages under any contract) and may by Ordinary Resolution appoint another person in his place.
96. No person other than a retiring Director shall, unless recommended by the Board for election, be eligible for election as a Director at any general meeting unless not less than seven (7) days before the date appointed for the general meeting there shall have been lodged at the head office of the Company notice in writing signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected provided that the period for lodgment of the aforesaid notice shall commence not earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

DIRECTORS' SHAREHOLDING AND AGE QUALIFICATIONS

97. (a) There shall be no shareholding qualification for the Board.
- (b) No Director shall be required to retire, nor shall any person be ineligible for election or appointment to the office of a Director, by virtue only of his having attained any specified age limit.

DISQUALIFICATION AND RETIREMENT OF DIRECTORS

98. (a) Without prejudice to the provisions for retirement at annual general meetings contained in this Article, the office of a Director shall be vacated in any of the events following, namely:-
- (i) if (not being an Executive Director whose contract precludes resignation) he resigns his office by notice in writing delivered to the Registered Office or at the Head Office or tendered at a meeting of the Board;
 - (ii) if he becomes of unsound mind or a patient for any purpose of any statute relating to mental health;
 - (iii) if, without leave, he is absent from meetings of the Board (unless an Alternate Director appointed by him attends) for twelve consecutive months, and the Board resolves that his office is vacated;
 - (iv) if he becomes bankrupt or compounds with his creditors;
 - (v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provision in these Articles; or
 - (vi) if he shall be removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Board (including himself) for the time being comprising the Board.
- (b) Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules, and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

- (c) The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.
- (d) The Company at the meeting at which a Director retires under any provision of these Articles may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:
 - (i) Where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
 - (ii) Where such Director has given notice in writing to the Company that he is unwilling to be re-elected;
 - (iii) Where the default is due to the moving of a resolution in contravention of paragraph (e) of this Article.

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

- (e) A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.

99. [Intentionally omitted]

REMUNERATION OF DIRECTORS

100. (a) 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 Board (if such sum is less than HK\$3 million annually for the Directors in aggregate) or by the Company in general meeting (if such sum is HK\$3 million or more annually for the Directors in aggregate). Such remuneration will accrue from day to day, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Board 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. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.
- (b) The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled).
101. Each Director may be paid all travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Board, or any committee of the Board, or general meetings of the Company, or otherwise in connection with the performance of their duties as Directors.
102. The Board may grant special remuneration to any Director who being called upon undertakes any special work or extra services for, or undertakes any special mission on behalf of, the Company other than his ordinary work as a Director. Such special remuneration may be made payable to such director in addition to or substitution for his ordinary remuneration as a director and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed. Any fees paid to a Director who is also counsel or solicitor to the Company, or otherwise serves it in a professional capacity shall be in addition to his remuneration as a Director.

103. A Director may be paid such extra remuneration for any office or place of profit held by him in the Company (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.
104. A Director or Alternate Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director or Alternate Director.
105. The remuneration of an 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 such remuneration as he may be entitled to receive as a Director.
106. Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance as in force at the date of adoption of these Articles and except as permitted under the Laws of the Cayman Islands the Company shall not, directly or indirectly:
- (a) make a loan to a Director or a director of its holding company (as defined in the Companies Ordinance); or
 - (b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or
 - (c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with the loan made by any person to that other company.

DIRECTORS' INTERESTS

107. (a) A Director or Alternate Director may hold any other office or place of profit

under the Company (other than the office of Auditor) in conjunction with his office of Director.

- (b) A Director of the Company may continue to be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested, and shall not be liable to account to the Company or the Members for any remuneration, profit or other benefit received by him as a director or other officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Board or any of them to be directors or other officers of such other company, or voting or providing for the payment of remuneration to the directors or other officers of such other company and a Director shall be entitled to vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms hereof, or the termination thereof).
- (c) Where arrangements are under consideration concerning the appointment (including the arrangement or variation of the terms thereof, or the termination thereof) of two or more of the Board to offices or places of profit with the Company or any other company in which the Company is interested, a separate resolution may be put in relation to each Director and in such case each of the Board concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment (or the arrangement or variation of the terms thereof, or the termination thereof).
- (d) Subject to the next paragraph of this Article, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the

Members for any remuneration, profit or other benefits realized by any such contract or arrangement, by reason only of such Director holding that office or of the fiduciary relationship thereby established.

- (e) A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall, if his interest in such contract or arrangement or proposed contract or arrangement is material, declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general notice to the Board by a Director to the effect that (a) he is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm or (b) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him, shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.
- (f) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates has/have a material interest, and if he shall do so his vote shall not be counted (nor shall be counted that resolution), but this prohibition shall not apply to any of the following matters namely:
 - (i) the giving of any security or indemnity either:
 - (aa) to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

- (bb) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director, and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associates is derived) or of the voting rights;
- (iv) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - (bb) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to any Director, his associate(s) and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of the persons to which such scheme or fund relates; and

- (v) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- (g) A company shall be deemed to be one in which a Director owns five per cent or more if and so long as (but only if and so long as) he is (either directly or indirectly) the holder of or beneficially interested in five per cent or more of any class of the equity share capital of that company or of the voting rights available to members of that company. For the purpose of this paragraph of this Article there shall be disregarded any shares held by the Director as bare or custodian trustee and in which he has no beneficial interest, any shares comprised in a trust in which his interest is in reversion or remainder if and so long as some other person is entitled to receive the income of the trust and any share comprised in an authorized unit trust scheme in which he is interested only as a unit holder.
- (h) Where a company in which a director owns five per cent or more is materially interested in a contract, he also shall be deemed materially interested in that contract.
- (i) 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 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 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 be counted in the quorum but shall not 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.

- (j) The Company may by Ordinary Resolution (i) suspend or relax the provisions of this Article to any extent or (ii) ratify any transaction not duly authorized by reason of a contravention of this Article, provided that in the case of (ii) above, no Director who shall be deemed to be materially interested in such transaction pursuant to the terms of this Article shall be entitled to exercise the voting rights attaching to any shares in which he is interested in respect of such resolution.

ALTERNATE DIRECTORS

108. (a) Each Director shall have the power to appoint any person to be his alternate Director and may at his discretion remove such alternate Director. If such alternate Director is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate Director shall be effected by notice in writing signed by the appointor and delivered to the Registered Office or the Head Office or tendered at a meeting of the Board, or in any other manner approved by the Board. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent 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 exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.
- (b) Every person acting as an alternate Director shall (except as regards power to appoint an alternate Director and remuneration) be subject in all respects to the provisions of these Articles relating to Directors and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director may be paid expenses and shall be entitled to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate Director.

- (c) Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate Director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- (d) An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to this Article which was in force immediately before his retirement shall remain in force as though he had not retired.

INVESTMENT MANAGER, REGISTRAR AND CUSTODIAN

109. (Without prejudice to its power to make any other appointment) the Board may appoint or authorize the appointment of and remove:

- (a) any person, firm or corporation to act as Investment Manager to the Company with respect to the investments and re-investments of the monies and assets of the Company and to provide or procure the provision of all management (including investment management) and general administrative services required by the Company and the Board may entrust to and confer upon the Investment Manager upon such terms and conditions including the right to remuneration and with such restrictions and with such powers of delegation as the Board thinks fit and either collaterally with or to the exclusion of their own powers, any of the powers, duties and discretions exercisable by the Board, other than the power to make calls or forfeit shares provided always that the terms of appointment shall provide, inter alia, and for the avoidance of doubt, that such Investment Manager shall at all times comply with and observe the investment objective of the Company set out in Article 5 and in the agreement appointing the Investment Manager the Board on behalf of the Company may covenant that during the currency of the agreement the Company will:
 - (i) not, except with the consent of the Investment Manager or as required by law, sell, mortgage, charge, pledge or otherwise part with

possession of any of the Assets of the Company save for dividends or distributions properly declared to Shareholders or in respect of amounts payable on redemptions or repurchases of its shares and save for Assets to be held on its behalf by the Custodian;

- (ii) without delay forward to the Investment Manager all notices, reports, circulars and other documents received by it in connection with the Assets;
- (iii) institute, prosecute, defend and compromise all such legal proceedings relating to the Assets as the Investment Manager may reasonably request in writing and are considered appropriate or desirable by the Company at the relevant time;
- (iv) take such steps as may be reasonably necessary to become informed of the exercise by the Investment Manager of its powers, and the performance of its functions under the agreement; and
- (v) exercise all due diligence and vigilance in carrying out its duties and functions thereunder,

and provided that the Board shall not be authorized to remove the Investment Manager, without the sanction of the Members by Ordinary Resolution, unless the Investment Manager goes into liquidation or commits a material breach of the agreement by which it is appointed, which breach is not remedied within the specified period;

- (b) any person, firm or corporation to act as Registrar (both in Hong Kong and the Cayman Islands and elsewhere in the world) and the Board may entrust to and confer upon the Registrar so appointed any of the duties, powers, authorities and discretions exercisable by the Board other than the power to make calls or forfeit shares; and
- (c) any corporation to act as Custodian to take custody of the assets of the Company and perform such other duties upon such terms as the Board may with the agreement of the Custodian determine (which, without limitation thereto, shall include acting as nominee of the Company in respect of any of its assets).

CALCULATION OF NET ASSET VALUE

110. (a) The Net Asset Value shall be determined by the Directors in accordance with such valuation regulations as they shall by resolution from time to time adopt at such times as they consider appropriate and, unless the Directors resolve otherwise, shall normally be determined as at the last day of the Company's financial year and on each of the other Valuation Dates.
- (b) The Directors may suspend the calculation of the Net Asset Value in any of the following events:
- (i) when, as a result of political, economic, military or monetary events or any circumstance outside the control, responsibility and power of the Company, disposal of investments is not reasonably practicable without materially and adversely affecting and prejudicing the interests of Members, or if, in the opinion of the Directors, the value of any of the investments or other assets of the Company cannot reasonably or fairly be ascertained; or
 - (ii) when a breakdown occurs in any of the means normally employed in ascertaining the value of investments or when for any other reason the value of any of the investments or other assets of the Company cannot reasonably or fairly be ascertained.

111. [Intentionally omitted]

SECRETARY

112. The Secretary (which expression shall be deemed to include any Assistant Secretary appointed by the Company) 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 required or authorized by these Articles to be done by or to the Secretary may be done, if the office is vacant or there is for any other reason no Secretary capable of acting, by or to any assistant or deputy Secretary appointed by the Board or, if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. Any

provisions 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.

THE SEAL

113. (a) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixings of the Seal. The Seal shall be affixed in the presence of a Director or the Secretary (or an Assistant Secretary) of the Company or in the presence of any one or more persons as the Directors may appoint for the purpose and every person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.
- (b) The Company may maintain a facsimile of its Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affix of such facsimile Seal and if given after may be in general form confirming a number of affixings of such facsimile Seal. The facsimile Seal shall be affixed in the presence of such person or persons as the Directors shall for this purpose appoint and such person or persons as aforesaid shall sign every instrument to which the facsimile Seal of the Company is so affixed in their presence and such affixing of the facsimile Seal and signing as aforesaid shall have the same meaning and effect as if the Company Seal had been affixed in the presence of and the instrument signed by a Director or the Secretary (or an Assistant Secretary) of the Company or in the presence of any one or more persons as the Directors may appoint for the purpose.
- (c) Notwithstanding the foregoing, the Secretary or any Assistant Secretary shall have the authority to affix the Seal, or the facsimile Seal, to any instrument for the purposes of attesting authenticity of the matter contained therein but which does not create any obligation binding on the Company.

DIVIDENDS AND OTHER PAYMENTS

114. Subject as hereinafter set out, the Board may from time to time declare any such dividends to the Members as appear to the Board to be appropriate. No dividend may be declared or paid other than from funds lawfully available for distribution including share premium.
115. Except in so far as the rights attaching to, or the term of issue of, any share otherwise provides:-
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and
 - (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.
116. The Board may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever the position of the Company, in the opinion of the Board, justifies such payment. If the share capital is divided into different classes, the Board may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. Provided the Board act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.
117. (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.

118. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

119. (a) In respect of any dividend proposed to be paid or declared by resolution of the Board on the share capital of the Company, the Board may further resolve and announce prior to or contemporaneously with the payment or declaration of such dividend:-

either

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up provided that Members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:-

- (aa) the basis of any such allotment shall be determined by the Board;

- (bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the holders of the shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (cc) 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;

- (dd) 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 subject always to the Companies Law;

or

(ii) that the Members entitled to such dividend be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:-

(aa) the basis of any such allotment shall be determined by the Board;

(bb) the Board, after determining the basis of allotment, shall give not less than two weeks’ notice in writing to the holders of the shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(cc) 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;

(dd) 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 and in satisfaction 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 subject always to the Companies Law.

(b) The shares allotted pursuant to the provisions of paragraph (a) of this Article shall be of the same class or classes as the class or classes of, and shall rank

pari passu in all respects with, the shares then held by the respective allottees 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 distribution, bonus 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 its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of 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 pursuant to the provisions of paragraph (a) of this Article with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled or are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned).
- (d) The Board may, with the sanction of the Members in general meeting, resolve and direct in respect of any 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 to receive and the allotment of shares under paragraph (a) of this Article shall not be made available or made to any Members with registered addresses in any territory where in the absence of a registration statement or other special

formalities the circulation of an offer of such rights of election to receive 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.

120. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
121. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Company and the payment by the Board of any unclaimed dividends, interest or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.
122. The Board may, with the sanction of the Members in general meeting, direct payment or satisfaction of any dividend wholly or in part by the distribution of specific assets, and in particular of paid up shares or debentures of any other company, and the Board shall give effect to such direction, and where any difficulty arises in regard to such distribution the Board may settle it as it thinks expedient, and in particular may issue fractional certificates or authorize any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for distribution purposes of any such specific assets and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to secure equality of distribution and may vest any such specific assets in trustees as may seem expedient to the Board.

RESERVES

123. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit. The Board may also without placing the same to reserve carry forward any profits which it may think it prudent not to distribute.

CAPITALIZATION OF RESERVES

124. The Company may, upon the recommendation of the Board, at any time and from time to time pass an Ordinary Resolution to the effect that it is desirable to capitalize all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in payment up in full of unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a capital redemption reserve, and any reserve or fund representing unrealized profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.
125. Where any difficulty arises in regard to any distribution under the last preceding Article the Board may settle the same as it thinks expedient and in particular may issue fractional certificates or authorize any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may subject to the provisions of the Companies Law determine that cash payments shall be made to any Members in order to adjust the rights of

all parties, as may seem expedient to the Board.

BOOKS OF ACCOUNT

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

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

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

127. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members (other than officers of the Company) and no Member shall have any right of inspecting any account or book or document of the Company except as conferred by the Companies Law or authorized by the Board or by the Company in general meeting.

128. (a) The Board shall from time to time commencing with the Annual General Meeting to be held in 1995 cause to be prepared and to be laid before the Company at its Annual General Meeting in each year a profit and loss account for the period (in the case of the first account) since the incorporation of the Company and, in any other case, since the preceding account, together with (i) a balance sheet as at the date to which the profit and loss account is made up (ii) a report by the Board with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, (iii) a report of the Auditors on such accounts prepared pursuant to Article 132 and (iv) such other reports and accounts as may be required by law.

- (b) A printed copy of the profit and loss account, balance sheet, directors' report and auditors' report to be laid before Members at an annual general meeting shall, at least 21 days prior to the Annual General Meeting at which the same are to be presented, be delivered or sent by post to the registered address of every Member entitled to receive notice of general meetings and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

AUDIT

129. The Company shall at each Annual General Meeting appoint an Auditor or Auditors of the Company who shall hold office until the next Annual General Meeting and shall fix his or their remuneration. No person may be appointed as the, or an, Auditor unless he is independent of the Company, the Custodian and the Investment Manager.
130. The Board may before the first Annual General Meeting appoint an Auditor or Auditors of the Company who shall hold office until the first Annual General Meeting unless previously removed by an Ordinary Resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.
131. Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Board and Officers of the Company such information and explanation as may be necessary for performance of the duties of the Auditors hereunder or otherwise.
132. The Auditors shall audit the profit and loss account and balance sheet of the Company in each year and shall prepare a report thereon to be annexed thereto. Such report shall be read before the Company at its Annual General Meeting in each year and shall be open to inspection by any Member. The Auditors shall at the next Annual General Meeting following their appointment and at any other

time during their term of office, upon request of the Board or any general meeting of the Members, make a report on the accounts of the Company in general meeting during their tenure of office.

NOTICES

133. 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 and 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 laws, 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 (in case of other entitled person, to such address as he may provide);
- (iii) by delivering or leaving it at such address as aforesaid;
- (iv) by advertisement published in the newspapers;
- (v) by sending or transmitting it as an electronic communication to the entitled person at his electronic address as he may provide; or
- (vi) by publishing it on the Recognized Stock Exchange’s website and the Company’s computer network, giving access to such network to the entitled person and giving to such person a notice of publication of such notice or document.

In the case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

134. 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 served or delivered in person, shall be deemed to have been served or delivered at the time of personal service or delivery, and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the notice or document was so served or delivered shall be conclusive evidence thereof;
- (ii) if served by post, shall be deemed to have been served on the day following that on which it is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly prepaid, addressed and posted (in the case of an address outside Hong Kong by airmail postage prepaid where air-mail posting from Hong Kong to such place is available) and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (iii) if served by advertisement published in the newspapers, shall be deemed to have been served on the day of issue of the newspaper(s) in which the advertisement is published; and
- (iv) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice or document placed on the Company’s computer network or website is deemed given by the Company to a member on the day on which a notice of availability is deemed served on the member.

135. A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a share or shares in consequence of the death or bankruptcy of a Member by sending it through the post as aforesaid in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.

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

- (a) every person shown as a Member in the Register of Members as of the record date for such meeting except that in the case of joint holders the notice shall be sufficient if given to the joint holder first named in the Register of Members;
- (b) every person upon whom the ownership of a share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting;
- (c) the Auditors;
- (d) each Director and Alternate Director;
- (e) the Hong Kong Stock Exchange; and
- (f) such other person to whom such notice is required to be given in accordance with the rules of any Recognized Stock Exchange on which the Securities of the Company are listed.

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

136A.(a) The signature to any notice or document by the Company may be written, printed or made electronically.

- (b) Subject to any applicable laws, rules and regulations, any notice or document from the Company, including but not limited to the documents referred to in Article 133 and any “corporate communication” within the meaning ascribed thereto in the Listing Rules, may be given in the English language only, in the Chinese language only or in both the English language and the Chinese language.

UNTRACED SHAREHOLDER

137. The Company may sell any shares in the Company if:-

- (a) all cheques or warrants, being not less than three in total number, for any sum payable to the holder of such shares in respect of them sent during the relevant period in the manner authorized by these Articles have remained uncashed;
- (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period or before the expiry of the three month period referred to in paragraph (c) below received any indication of the whereabouts or 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;
- (c) the Company has caused an advertisement to be inserted in a daily newspaper in the area of the last known address of the holder of such shares and in such one or more newspapers circulating in the territory where the Recognized Stock Exchange is located as the rules for the time being of the Recognised Stock Exchange may stipulate and the Board may determine, giving notice of its intention to sell such shares and a period of three months has elapsed since the date of publication (or the date of the last publication) of such advertisement; and
- (d) where required by the rules for the time being of the Recognised Stock Exchange, prior notice of such sale shall have been given to the Recognised Stock Exchange.

For the purpose of the foregoing the “relevant period” means the period commencing twelve years before the date of publication (or the date of the last publication) of the advertisement referred to in paragraph (c) above and ending at the expiry of the period referred to in that paragraph.

To give effect to any such sale the Board may authorize any 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 moneys 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 moneys earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any such debt unclaimed after a period of 12 years from the date of sale of the relevant shares shall become irrecoverable and the Company may then or at any time thereafter cease to include in its books of account any provision in respect of any such debt. 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.

DESTRUCTION OF DOCUMENTS

138. The Company may destroy:-

- (a) any share certificate which has been cancelled at any time after the expiry of one year from the date of such cancellation;
- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two years from the date such mandate variation cancellation or notification was recorded by the Company;
- (c) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration; and
- (d) any other document on the basis of which any entry in the Register is made at any time after the expiry of six years from the date an entry in the Register was first made in respect of it;

and it shall conclusively be presumed in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder

was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, Provided always that:-

- (i) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (ii) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (i) above are not fulfilled; and
- (iii) references in this Article to the destruction of any document include references to its disposal in any manner.

WINDING UP

139. If the Company shall be wound up, and the surplus assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the nominal paid-up capital, such assets shall be distributed to members, as nearly as may be in proportion to the nominal capital paid up on shares at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital paid up by them on the shares held by them. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
140. If the Company shall be wound up the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Companies Law, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any 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. The Liquidator may with the like sanction, vest the whole or any part of such assets in

trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any assets, shares or other securities whereon there is any liability.

INDEMNITY

141. Every Director, Executive Director, other officer of the Company and the Auditors shall be indemnified out of the funds of the Company against all liabilities incurred by him as Director, Executive Director, other officer of the Company or Auditors in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted save in the case of liabilities incurred or proceedings arising as a result of wilful default or bad faith on the part of such person.
142. Any person to whom the Directors pursuant to these Articles delegate any of their functions and any person to whom such function is further sub-delegated or whose authority can properly be traced back to such delegate, shall be entitled to indemnity in respect of all acts or omissions in like terms to that which would have applied to the Directors had they been responsible for such acts or omissions.

DISCLOSURE

143. Any Manager, Investment Manager, Custodian, Auditors, Registrar, Director or other officer of the Company shall if lawfully required to do so under the laws of any jurisdiction to which the Company is subject or in compliance with the rules of any Recognised Stock Exchange or in accordance with any contract entered into by the Company be entitled to release or disclose any information in its possession regarding the affairs of the Company including, without limitation, any information contained in the Register relating to any Member or contained in any register of the holders of any warrants issued by the Company carrying rights to subscribe for shares in the Company relating to any such holder.

ALTERATION OF ARTICLES OF ASSOCIATION

144. Subject to the Companies Law and except where expressly provided otherwise in these Articles, no alteration to these Articles shall be effective unless such alteration has been approved by Special Resolution.

TRANSFER BY WAY OF CONTINUATION

145. (a) If the Company is exempted as defined by the Companies Law it shall, subject to the provisions of the Companies Law and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
- (b) In furtherance of a resolution adopted pursuant to sub-clause (a) of this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

NAMES, ADDRESS AND
DESCRIPTION OF SUBSCRIBER

STEVEN A. RAMSDEN
P.O. BOX 265
Grand Cayman

(Sgd.) Steven A. Ramsden

Attorney-at-Law

28th September 1993

(Sgd.) M. SIMMONS

Witness to the above signature: M. Simmons

Address: P.O. Box 265, Grand Cayman

Occupation: Secretary