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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

**GENERAL MANDATES TO BUY-BACK AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF
THE AMENDED AND RESTATED BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at The Air, L16, The ONE, 100 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2023 at 10:00 a.m. is set out on pages 59 to 62 of this circular. A form of proxy for the Annual General Meeting is enclosed with this circular for despatch to the Shareholders together with the 2022 Annual Report. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be) should you so wish.

27 April 2023

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Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

DEFINITIONS

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

“2022 Annual Report”	annual report of the Company for the year ended 31 December 2022
“Amended and Restated Bye-laws”	the amended and restated bye-laws proposed to be adopted with effect from the passing of the relevant special resolution at the Annual General Meeting
“Annual General Meeting”	the annual general meeting of the Company to be held at The Air, L16, The ONE, 100 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2023 at 10:00 a.m. or any adjournment thereof (as the case may be), notice of which is set out on pages 59 to 62 of this circular
“Board”	the board of Directors
“Buy-back Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to buy-back issued and fully-paid up Shares up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Company”	Chinese Estates Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Existing Bye-laws”	the existing bye-laws of the Company currently in force
“General Mandate”	a general and unconditional mandate to the Directors to issue, allot and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Amendments”	the proposed amendments to the Existing Bye-laws, the details of which are set out in Appendix II to this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

Executive Directors:

Chan, Hoi-wan (*Chief Executive Officer*)

Chan, Lok-wan

Lam, Kwong-wai

Non-executive Directors:

Lau, Ming-wai (*Chairman*)

Amy Lau, Yuk-wai

Independent Non-executive Directors:

Chan, Kwok-wai

Leung, Yun-fai

Phillis Loh, Lai-ping

Ma, Tsz-chun

Registered Office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

Principal Office in Hong Kong:

21st Floor, Chubb Tower

Windsor House

311 Gloucester Road

Causeway Bay

Hong Kong

27 April 2023

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO BUY-BACK AND ISSUE SHARES
RE-ELECTION OF DIRECTORS
PROPOSED AMENDMENTS TO THE BYE-LAWS AND ADOPTION OF
THE AMENDED AND RESTATED BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice of the Annual General Meeting as set out on pages 59 to 62 of this circular, and information regarding certain ordinary and special resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against those resolutions.

LETTER FROM THE BOARD

The resolutions include (i) granting to the Directors the Buy-back Mandate; (ii) granting to the Directors a general and unconditional mandate (a) to issue new Shares representing up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution and (b) to issue additional new Shares in a number not exceeding the total number of Shares to be bought back pursuant to the Buy-back Mandate; (iii) approving the re-election of Directors; (iv) approving the re-appointment of auditors; and (v) approving the proposed amendments to the Existing Bye-laws and adoption of the Amended and Restated Bye-laws.

GENERAL MANDATE TO BUY-BACK SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to buy-back issued Shares subject to the criteria set out in this circular. The maximum number of Shares that may be bought back pursuant to the Buy-back Mandate will be such number which represents 10% of the total number of Shares in issue as at the date of passing of the relevant resolution subject to the Listing Rules. The Buy-back Mandate will lapse on the earliest of, the date of the next annual general meeting, or the date by which the next annual general meeting of the Company is required to be held by laws and/or the bye-laws of the Company, or the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Buy-back Mandate which is set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE NEW SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue, allot and deal with new Shares representing up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution.

Subject to the passing of the aforesaid ordinary resolutions of the Buy-back Mandate and the General Mandate, an ordinary resolution will also be proposed to authorise the Directors to issue additional new Shares in a number not exceeding the total number of the Shares to be bought back pursuant to the Buy-back Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 111 of the Existing Bye-laws, Ms. Chan, Hoi-wan, Mr. Lam, Kwong-wai and Mr. Chan, Kwok-wai will retire from office as Directors at the Annual General Meeting and, all being eligible, offer themselves for re-election. In addition, pursuant to Bye-law 94 of the Existing Bye-laws, Mr. Leung, Yun-fai, who was appointed as a Director on 10 March 2023 shall hold office until the Annual General Meeting and, being eligible, offer himself for re-election.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are as follows:

Ms. Chan, Hoi-wan (“Ms. Chan”) (*Executive Director*)

Aged 43, has been an Executive Director since 2017 and acts as the Chief Executive Officer of the Company since 2021. She also acts as a director of certain subsidiaries of the Company. Ms. Chan is also the chairman of the investment committee of the Company. She had joined the then associate of the Group from 2002 to 2005 and participated in its cosmetics business, including Two Girls products. She also possessed of more than 3.5 years’ work experience in media field in Hong Kong and gained experience in properties and securities investments through her investments. Ms. Chan is the elder sister of Ms. Chan, Lok-wan (an Executive Director), the step-mother of Mr. Lau, Ming-wai (a Non-executive Director and the Chairman of the Board) and the sister-in-law of Ms. Amy Lau, Yuk-wai (a Non-executive Director). As at the Latest Practicable Date, Ms. Chan is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

Pursuant to the service agreement dated 9 January 2023 entered into between a subsidiary of the Company and Ms. Chan, Ms. Chan is entitled to a remuneration of HK\$100,000 per annum. She is also entitled to discretionary bonus as may be approved by the Group and other benefits. Ms. Chan’s remuneration was determined by reference to her duties and responsibilities as well as the prevailing market condition and is subject to annual review. There is no specified length or proposed length of service in respect of her appointment as an Executive Director. She is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, Ms. Chan does not hold any other position with the Group; and is not connected and has no other relationship with any Director, senior management or substantial or controlling shareholder of the Company. She did not hold any directorship in other listed public company in the last three years before the Latest Practicable Date.

LETTER FROM THE BOARD

Under the provisions of Part XV of the SFO, as at the Latest Practicable Date, Ms. Chan was deemed to be interested in 1,430,700,768 Shares in aggregate. For these 1,430,700,768 Shares, 723,290,948 Shares were directly owned by Solar Bright Ltd.; 476,425,000 Shares were directly owned by Century Frontier Limited; and 230,984,820 Shares were directly owned by Joseph Lau Luen Hung Investments Limited. Each of Century Frontier Limited and Joseph Lau Luen Hung Investments Limited was wholly-owned by Solar Bright Ltd. which in turn wholly-owned by Sino Omen Holdings Limited, the entire issued share capital of which was held by Ms. Chan as trustee for her minor children Lau, Chung-hok, Lau, Sau-wah and Lau, Sau-yee. Apart from this, Ms. Chan does not have any other interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Ms. Chan's re-election.

Mr. Lam, Kwong-wai ("Mr. Lam") (*Executive Director*)

Aged 67, joined the Group in 1989 and has been an Executive Director since 2012. Mr. Lam is the Group Financial Controller and Company Secretary of the Company and acts as a director of certain subsidiaries of the Company. He is also a member of the investment committee of the Company and acts as the chief investment officer. Mr. Lam is an independent non-executive director of Lifestyle China Group Limited, the shares of this company are listed on the Main Board of the Stock Exchange. Mr. Lam is a Certified Public Accountant (Practising) and holds a Master Degree of Business Administration from the University of Warwick, United Kingdom. He has over 45 years of experience in auditing, finance and accounting industries.

No service contract has been entered into between the Company and Mr. Lam in respect of his appointment as Executive Director. He was not appointed for any specified length or proposed length of service with the Company but is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Mr. Lam is entitled to a remuneration of HK\$1,920,000 per annum which was determined by the Board with reference to his duties and responsibilities as well as the prevailing market condition and is subject to annual review. He is also entitled to discretionary bonus as may be approved by the Board.

Save as disclosed above, Mr. Lam did not hold any directorship in other listed public company in the last three years before the Latest Practicable Date; and does not hold any other position with the Group. He is not connected and has no relationship with any Director, senior management or substantial or controlling shareholder of the Company. Mr. Lam did not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Lam's re-election.

LETTER FROM THE BOARD

Mr. Chan, Kwok-wai (“Mr. Chan”) (*Independent Non-executive Director*)

Aged 64, has been an Independent Non-executive Director since 2004. He is the chairman of the audit committee and remuneration committee, and a member of the nomination committee and investment committee of the Company. Mr. Chan holds a Bachelor Degree of Business Administration from the Monash University, Australia. He is also a member of CPA Australia and a member of the Hong Kong Securities and Investment Institute. He has over 43 years of experience in finance and accounting industries. Mr. Chan is currently a director of High Progress Consultants Limited. He is also an independent non-executive director of China Investments Holdings Limited, National Electronics Holdings Limited and Tern Properties Company Limited; and was an independent non-executive director of Far East Consortium International Limited for the period from 18 November 2005 to 30 August 2022, the shares of all these companies are listed on the Main Board of the Stock Exchange.

No service contract has been entered into between the Company and Mr. Chan. He was not appointed for any specified length or proposed length of service with the Company but is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Mr. Chan is entitled to a director’s fee of HK\$300,000 per annum which was determined by the Board with reference to his duties and responsibilities and is subject to annual review.

Save as disclosed above, Mr. Chan did not hold any directorship in other listed public company in the last three years before the Latest Practicable Date; and does not hold any other position with the Group. He is not connected and has no relationship with any Director, senior management or substantial or controlling shareholder of the Company. Mr. Chan did not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Chan’s re-election.

LETTER FROM THE BOARD

Mr. Leung, Yun-fai (“Mr. Leung”) (*Independent Non-executive Director*)

Aged 65, has been appointed as an Independent Non-executive Director of the Company on 10 March 2023. He is a member of the audit committee, remuneration committee, nomination committee and investment committee of the Company. Mr. Leung holds a Degree of Bachelor of Business Administration, Finance and Accountancy from Newport University, United States of America. He is a member of the Hong Kong Securities and Investment Institute. He has over 42 years of experience in auditing, finance, accounting and corporate advisory industries, including 20 years audit experience at Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu. Mr. Leung is currently a director of Safestyle Consulting Limited.

No service contract has been entered into between the Company and Mr. Leung. He was not appointed for any specified length or proposed length of service with the Company but is subject to retirement by rotation and eligible for re-election pursuant to the bye-laws of the Company. Mr. Leung is entitled to a director’s fee of HK\$300,000 per annum which was determined by the Board with reference to his duties and responsibilities and is subject to annual review.

Save as disclosed above, Mr. Leung does not hold any other position with the Group. He is not connected and has no relationship with any Director, senior management or substantial or controlling shareholder of the Company. Mr. Leung did not hold any directorship in other listed public company in the last three years before the Latest Practicable Date. He did not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is nothing required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Leung’s re-election.

LETTER FROM THE BOARD

The process used for identifying an individual as Director (including Independent Non-executive Director) is disclosed in the “Corporate Governance Report” of the 2022 Annual Report. The nomination committee of the Company assessed and reviewed the confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules received from each of Mr. Chan and Mr. Leung, and affirmed the independency of Mr. Chan and Mr. Leung. Information about the perspectives, skills and experience that Ms. Chan, Mr. Lam, Mr. Chan and Mr. Leung can bring to the Board and how each of Ms. Chan, Mr. Lam, Mr. Chan and Mr. Leung contributes to diversity of the Board are disclosed in the “Profiles of Directors” and “Corporate Governance Report” of the 2022 Annual Report.

Mr. Chan has served the Board for more than nine years. Despite the length of his service, there is no evidence that the independence of Mr. Chan especially in terms of exercising independent judgment and objective challenges to the management, has been or will be in any way compromised or affected. With in-depth understanding of the Company’s business, Mr. Chan has brought his valuable experience to the Board and Board committees and expressed objective views and given independent guidance to the Company over the years. Mr. Chan continues demonstrating a firm commitment to his roles. The nomination committee of the Company considered that the long service of Mr. Chan would not affect his exercise of independent judgment as he do not involve in the Company’s day-to-day operation and is satisfied that Mr. Chan has the required character, integrity and experience to continue fulfilling the role of Independent Non-executive Director. The nomination committee of the Company satisfied that Mr. Chan has no close relationship with the Chairman of the Board and his family, the Chief Executive Officer of the Company and her family, other executive Directors as well as the management of the Company that would lose his objectivity and independence. The Board is confident that Mr. Chan will continue to make valuable contribution to the Company by providing his balanced and objective views to the Board.

The nomination committee of the Company reviewed the performance of Ms. Chan, Mr. Lam and Mr. Chan and confirmed that they had contributed to the Group and are committed to their roles. Taking into consideration of the above factors, the nomination committee of the Company nominated, and the Board recommended Ms. Chan, Mr. Lam, Mr. Chan and Mr. Leung to stand for election as Directors at the Annual General Meeting.

RE-APPOINTMENT OF AUDITORS

The audit committee of the Company has recommended to the Board (which in turn endorsed the view) that, subject to the Shareholders’ approval at the coming Annual General Meeting, HLB Hodgson Impey Cheng Limited be re-appointed as the auditors of the Company.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS

The Board proposes to amend the Existing Bye-laws for the purposes of, among others, (i) bringing the Existing Bye-laws in line with the Core Shareholder Protection Standards set out in Appendix 3 to the Listing Rules; (ii) allowing a general meeting to be held as a hybrid meeting or an electronic meeting in addition to a physical meeting, and the participants of which to attend, participate and vote by electronic means; and (iii) making certain housekeeping amendments for the purpose of clarifying existing practice and making consequential amendments to be in line with the amendments to the Existing Bye-laws. The Board also proposes to adopt the Amended and Restated Bye-laws in substitution for, and to the exclusion of, the Existing Bye-laws.

Details of the Proposed Amendments and the full text of the Amended and Restated Bye-laws (marked-up against the conformed version of the Existing Bye-laws posted on the website of the Stock Exchange) are set out in Appendix II to this circular. The Chinese translation of the Amended and Restated Bye-laws is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

The Proposed Amendments and adoption of the Amended and Restated Bye-laws shall be subject to the passing of a special resolution by the Shareholders at the Annual General Meeting, and, if approved, will become effective upon such approval.

The legal adviser to the Company as to Hong Kong law has confirmed that the Proposed Amendments comply with the applicable requirements of the Listing Rules and the legal adviser to the Company as to Bermuda law has confirmed that the Proposed Amendments are not inconsistent with the laws of Bermuda. The Company confirms that there is nothing unusual about the Proposed Amendments.

ANNUAL GENERAL MEETING

The notice of the Annual General Meeting is set out on pages 59 to 62 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, ordinary resolutions will be proposed to approve the Buy-back Mandate, the General Mandate and the extension of the General Mandate to the Shares to be bought back pursuant to the Buy-back Mandate, and a special resolution will be proposed to approve the amendments to the Existing Bye-laws and adoption of the Amended and Restated Bye-laws.

A form of proxy for the Annual General Meeting is enclosed with this circular for despatch to Shareholders together with the 2022 Annual Report. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the form of proxy and return it to the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon as soon as practicable but in any event not less than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof (as the case may be) in person should you so wish.

LETTER FROM THE BOARD

RIGHT TO DEMAND A POLL

Pursuant to Bye-law 75 of the Existing Bye-laws, a resolution put to the vote at any general meeting shall be decided on a show of hands, unless a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands) demanded by:

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

Pursuant to Rule 13.39(4) of the Listing Rules, the vote of shareholders at a general meeting must be taken by poll. The Company will procure the chairman of the Annual General Meeting to demand for voting by poll at the Annual General Meeting. Computershare Hong Kong Investor Services Limited, the branch registrar and transfer office of the Company in Hong Kong, will serve as the scrutineers for the vote-taking.

RECOMMENDATION

The Directors are of the opinion that proposals regarding the granting of the Buy-back Mandate, the General Mandate and the extension of the General Mandate to the Shares to be bought back pursuant to the Buy-back Mandate, re-election of Directors, re-appointment of auditors and the proposed amendments to the Existing Bye-laws and the adoption of the Amended and Restated Bye-laws are in the best interests of the Company and the Shareholders as a whole and recommend you to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
Lau, Ming-wai
Chairman

This appendix serves as an explanatory statement, as required under Rule 10.06(1)(b) of the Listing Rules, to provide requisite information to Shareholders for their consideration of the Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 1,907,619,079.

Subject to the passing of the ordinary resolution granting the Buy-back Mandate and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Mandate to buy-back a maximum of 190,761,907 Shares, being 10% of the total number of Shares in issue.

2. REASONS FOR BUY-BACKS

The Directors believe that the Buy-back Mandate is in the best interests of the Company and the Shareholders as buy-backs of Shares may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value per Share and/or earnings per Share, and an ability to do so would give the Company additional flexibility. Shareholders can be assured that the Directors would only make such buy-backs in circumstances where they consider them to be in the best interests of the Company.

3. FUNDING OF BUY-BACKS

In making buy-backs, the Company may only apply funds legally available for such purposes in accordance with the bye-laws of the Company and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share buy-back may only be paid out of either the capital paid up on the relevant shares, or the funds of the company that would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The premium payable on buy-backs may only be paid out of either the funds of the company that would otherwise be available for dividend or distribution or out of the company's share premium account before the shares are bought back. In accordance with the laws of Bermuda, the shares so bought back would be treated as cancelled but the amount of authorised share capital would not be reduced.

On the basis of the financial position of the Company as at 31 December 2022 as disclosed in the audited consolidated financial statements contained in the 2022 Annual Report, and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital position and the gearing position of the Company in the event that buy-backs of all the Shares subject to the Buy-back Mandate were to be carried out in full at any time during the Buy-back Mandate period. No buy-back would be made in circumstances that would have a material adverse impact on the working capital position or the gearing position of the Company.

4. PRICES OF SHARES

The highest and lowest prices at which the Shares traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date are as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2022	2.350	2.200
May 2022	2.380	2.130
June 2022	2.380	2.190
July 2022	2.280	2.120
August 2022	2.370	2.060
September 2022	2.340	2.040
October 2022	2.100	1.400
November 2022	2.540	1.320
December 2022	2.650	2.170
January 2023	2.560	2.420
February 2023	2.540	2.260
March 2023	3.450	2.380
April 2023 (up to the Latest Practicable Date)	2.510	2.390

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company in the event that the Buy-back Mandate is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Mandate is granted by the Shareholders.

6. THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share buy-back, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Sino Omen Holdings Limited indirectly held Shares representing approximately 74.99% of the total number of Shares in issue. The entire issued share capital of Sino Omen Holdings Limited was held by Ms. Chan, Hoi-wan as trustee for her minor children.

In the event that the Directors exercise in full the Buy-back Mandate which is to be approved by the Shareholders, the shareholding in the Company of Sino Omen Holdings Limited would be increased to approximately 83.33% of the total number of Shares in issue. The Directors are not aware of such an increase would give rise to an obligation to make a mandatory offer under the Takeovers Code if the Buy-back Mandate was to be exercised in full.

Assuming that there is no further issue of Shares between the Latest Practicable Date and the date of buy-back, the exercise of the Buy-back Mandate whether in whole or in part will result in less than 25% of the total number of Shares in issue being held by the public as required by Rule 8.08 of the Listing Rules. The Directors, however, have no present intention to exercise the Buy-back Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

7. SHARE BUY-BACKS MADE BY THE COMPANY

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

AMENDED BYE-LAWS

(As ~~amended-adopted~~ adopted by a Special Resolution passed on ~~25th May, 2012~~ 25th May, 2023)

OF

CHINESE ESTATES HOLDINGS LIMITED

Interpretation

1. The marginal notes to these bye-laws shall not affect their interpretation and in the interpretation of these bye-laws, unless there be something in the subject or context inconsistent therewith:—

“Hong Kong” shall mean the Hong Kong Special Administration Region of the People’s Republic of China;	Hong Kong
“the Company” or “this Company” shall mean CHINESE ESTATES HOLDINGS LIMITED;	the Company this Company
“the Companies Act” or “the Act” shall mean the Companies Act 1981 of Bermuda as amended from time to time and includes every other act incorporated therewith or substituted therefor;	the Companies Act the Act
“the Statutes” shall mean the Act and every other Act of the legislature of the Islands of Bermuda for the time being in force concerning companies and applying to or affecting the Company;	the Statutes
“head office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;	head office
“relevant territories” shall mean Hong Kong or, in the event of the issued share capital of the Company no longer being listed with the consent of the Directors on any stock exchange in Hong Kong, such other territory or territories as the Directors may from time to time decide;	relevant territories
“registration office” shall mean such place or places in the relevant territories or elsewhere where the Directors from time to time determine to keep a branch register of members and where (except in cases where the Directors otherwise agree) transfers or other documents of title are to be lodged for registration and are to be registered;	registration office
“these bye-laws” or “these presents” shall mean the present bye-laws and all supplementary, amended or substituted bye-laws for the time being in force;	these bye-laws these presents
“capital” shall mean the share capital from time to time of the Company;	capital
“share” shall mean share in the capital of the Company;	share

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“shareholders” or “members” shall mean the duly registered holders from time to time of the shares in the capital of the Company;	shareholders members
“the register” shall mean the register of members and any branch register of members of the Company to be kept pursuant to the provisions of the Companies Act;	the register
“Directors” or “ board <u>Board</u> ” shall mean the Directors from time to time of the Company or (as the context may require) a majority of Directors present and voting at a meeting of Directors;	Directors board <u>Board</u>
“secretary” shall mean the person for the time being performing the duties of that office;	secretary
“auditors” shall mean the persons for the time being performing the duties of that office;	auditors
“chairman” shall mean the chairman presiding at any meeting of members or of the board;	chairman
“ recognised clearing house ” shall mean a recognised clearing house as referred to in 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;	recognised clearing house
“associates” in relation to any Director, shall have the meaning ascribed to it under the Listing Rules;	associates
“Listing Rules” shall mean the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time);	Listing Rules
“Office” shall mean the registered office of the Company for the time being;	Office
“seal” shall mean the common seal from time to time of the Company or any other common seal of the Company for use in any place other than Bermuda and any other seal adopted for use by the Company under bye-law 132;	seal
“dividend” shall include bonus and a distribution out of contributed surplus;	dividend
“HK dollars” or “HK\$” shall mean dollars legally current in Hong Kong;	HK dollars HK\$
“month” shall mean a calendar month;	month
“writing” or “printing” shall include writing, printing, lithography, photography, type-writing and every other mode of representing words or figures in a legible and non-transitory form, <u>including in the form of electronic record</u> ;	writing printing
“address” shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these bye-laws;	address

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“electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 (as amended) of Bermuda ~~as may be amended from time to time;~~ electronic

“electronic record” shall have the same meaning as in the Electronic Transactions Act 1999 (as amended) of Bermuda; electronic record

“specified place” shall mean the place, if any, specified in the notice of any general meeting or adjourned meeting, at which the chairman of the meeting shall preside; specified place

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

words importing either gender shall include the other gender and the neuter; gender

words importing persons and the neuter shall include companies and corporations; persons companies

references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force. statutory provisions

references to anything being done by electronic means includes its being done by means of any electronic or other communications equipment or facilities and reference to any communication being delivered or received, or being delivered or received at a particular place, includes the transmission of an electronic record to a recipient identified in such manner or by such means as the Board may from time to time approve or prescribe, either generally or for a particular purpose. electronic means

references in these presents to votes cast or taken at a general meeting shall include all votes taken (in such manner as may be directed by the chairman of that meeting whether by a count of votes by show of hands and/or by the use of ballot or voting papers or tickets and/or by electronic means) of members attending in person, by corporate representative or by proxy at that meeting. voting

Subject as aforesaid, any words defined in the Act shall, if not inconsistent with the subject and/or context, bear the same meanings in these bye-laws. Words in the Act to bear same meaning in bye-laws

A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their respective duly authorised representative or, where proxies ~~and attorneys~~ are allowed, by proxy ~~or by attorney~~ at a general meeting of which ~~not less than 21 days’ notice;~~ specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a Special Resolution; ~~has been duly given, provided that, if it is so agreed by a majority in number of the members having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which less than 21 days’ notice has been given.~~ Special Resolution

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A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies ~~and attorneys~~ are allowed, by proxy ~~or by attorney~~ at a general meeting held in accordance with these presents.

Ordinary
Resolution

A resolution shall be an Extraordinary Resolution when it has been passed by not less than two-thirds of the votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents.

Extraordinary
Resolution

A Special Resolution or an Extraordinary Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents or the Statutes.

Alteration of memorandum of association, bye-laws and name of company

2. Without prejudice to any other requirements of the Companies Act, a Special Resolution shall be required to alter the provisions of the memorandum of association, to ~~approve any amendment of these presents~~ rescind, alter or amend the bye-laws or to change the name of the Company.

Alteration of
memorandum
of
association,
bye-laws and
name

Share capital and modification of rights

#3. (A) The capital of the Company at the date of the adoption of these bye-laws is ~~HK\$165,000,000.00~~ HK\$500,000,000.00 divided into ~~1,650,000,000~~ 5,000,000,000 ordinary shares of HK\$0.10 each.

Capital

(B) Subject to the Statutes the power contained in the memorandum of association for the Company to purchase its shares shall be exercisable by the Directors upon such terms and subject to such conditions as they think fit.

Purchase of
shares

– Pursuant to a resolution passed on 23rd October, 1989, the share capital has been conditionally increased to HK\$230,000,000.00 by the creation of an additional 650,000,000 ordinary shares of HK\$0.10 each.

– Pursuant to a resolution passed on 23rd October, 1989, the share capital will be conditionally increased to HK\$310,000,000.00 by the creation of an additional 800,000,000 ordinary shares of HK\$0.10 each, such increase to take effect on the date on which the number of shares in the Company reaches 2,300,000,000.

– Pursuant to a resolution passed on 18th May, 2004, the share capital had been increased from HK\$310,000,000.00 divided into 3,100,000,000 shares of HK\$0.10 each to HK\$500,000,000.00 divided into 5,000,000,000 shares of HK\$0.10 each by the creation of an additional 1,900,000,000 new shares of HK\$0.10 each in the capital of the Company.

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4. (A) Without prejudice to any special rights previously conferred on the holders of existing shares, any share may be issued with such preferred, deferred, qualified or other special rights, privileges or conditions or subject to such restrictions, whether as regards dividend, voting, return of share capital or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and any preference share may, with the sanction of an Ordinary Resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed or at the option of the holder is liable to be redeemed.

Issue of shares

(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. Where such warrant certificates are lost, no new warrant certificates shall be issued to replace one that has been lost unless the Directors are satisfied beyond reasonable doubt that the original has been destroyed and have received an indemnity in satisfactory form with regard to the issue of any new such warrant certificates.

5. (A) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Statutes, be varied, modified or abrogated with the consent in writing of the holders of three-fourths ~~in nominal value~~ of the ~~issued voting rights~~ of the shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these bye-laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum at such meeting (other than an adjourned meeting) shall be two persons at least holding or representing by proxy one-third in nominal value of the issued shares of that class and that any holder of shares of the class present in person (or, in the case of a holder being a corporation, present by its duly authorised representative) or by proxy may demand a poll. At any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum.

How rights of shares may be modified
Variation of rights

(B) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issued of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

Shares and increase of capital

6. (A) Subject to the Statutes, the Company may give financial assistance on such terms as the Directors think fit to directors and bona fide employees of the Company, its subsidiaries, and any holding company of the Company and/or any subsidiary of any such holding company, in each such case whether incorporated in Bermuda or elsewhere, in order that they may buy shares (fully or partly paid) in the Company or any holding company of the Company and such terms may include a provision stating that, when a director ceases to be a director of, or an employee ceases to be employed by the Company or such other company, shares bought with such financial assistance shall or may be sold to the Company or such other company on such terms as the Directors think fit.

Company not to give financial assistance

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(B) Subject to the Statutes, the Company may in accordance with any scheme for the time being in force and approved by the members in general meeting provide, directly or indirectly, money or other financial assistance for the purchase of or in connection with the purchases of, or subscription for, fully or partly paid shares in the Company or any holding company of the Company, being a purchase of or subscription for shares by a trustee of or to be held by or for the benefit of employees of the Company, any of its subsidiaries, any holding company of the Company and/or any subsidiary of any such holding company in each such case whether incorporated in Bermuda or elsewhere including a director holding a salaried employment or office with or in any such company and so that the residual beneficiary of any such trust may be or include a charitable object.

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

Power to increase capital

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

On what conditions new shares may be issued

(B) Subject to the provisions of the Act, any shares may, with the sanction of an Ordinary Resolution, be issued on terms that they are, or at the option of the Company or the holder are liable, to be redeemed.

9. The Company may by Ordinary Resolution, before the issue of any new shares, determined that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all existing holders of any class of shares in proportion as nearly as may be to the number of shares of each class held by them respectively, or make any provisions as to the issue and allotment of such shares, but in default of any such determination or so far as the same shall not extend, such shares may be dealt with as if they formed part of the shares in the capital of the Company existing prior to the issue of the same and, without prejudice to the generality of the foregoing, shall be at the disposal of the ~~board~~Board as provided in bye-law 11.

When to be offered to existing members

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

New shares to form part of original capital

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11. Subject to the provisions of the Companies Act and of these bye-laws relating to new shares, all unissued shares in the Company shall be at the disposal of the ~~board~~**Board**, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and on such terms as the ~~board~~**Board** shall in its absolute discretion think fit, but so that no shares shall be issued at a discount.

Shares at the disposal of the ~~board~~**Board**

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

Company may pay commissions

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

Company not to recognise trusts in respect of shares

Register and share certificates

14. (A) The Directors shall cause to be kept a register of the members and there shall be entered herein the particulars required under the Companies Act.

Register

(B) Subject to the provisions of the Companies Act, if the Directors consider it necessary or appropriate, the Company may establish and maintain one or more branch registers of members at such locations outside Bermuda as the Directors think fit.

(C) Except when the register is closed under the Act, the register shall during business hours (subject to such reasonable restrictions as the Company may impose, so that not less than two hours in each day be allowed for inspection) be open for inspection by members and members of the public without charge. The register, including any overseas or local or other branch register of members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of The Stock Exchange of Hong Kong Limited or by any means (electronic or otherwise) in such manner as may be accepted by The Stock Exchange of Hong Kong Limited to that effect and subject to compliance with the requirements contained in the Companies Act and the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), be closed for inspection at such times or for such periods not exceeding in the whole thirty days in each year as the Directors may determinate and either generally or in respect of any class of shares.

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15. Every person whose name is entered as a member in the register shall be entitled to receive upon payment of HK\$2.50 (or such higher sum as may from time to time be permitted by the relevant rules of The Stock Exchange of Hong Kong Limited, within the relevant time limit as prescribed in the Act or as The Stock Exchange of Hong Kong Limited may from time to time determine, whichever is shorter after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his shares or, if he shall so request and upon payment, in the case of a transfer, of HK\$2.50 (or such higher sum as may from time to time be permitted by the relevant rules of The Stock Exchange of Hong Kong Limited for every certificate or such lesser sum as the Directors shall from time to time determine, such number of certificates for such respective numbers of shares as he shall request, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. Share certificates
16. Every certificate for shares or debentures or representing any other form of security of the Company shall be issued under the seal of the Company or a facsimile thereof. Share certificate to be sealed
17. Every share certificate hereafter issued shall specify the number and class and distinguishing numbers (if any) of the shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Directors may from time to time prescribe. No certificate shall be issued representing shares of more than one class. Every certificate to specify number of shares
18. If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these bye-laws, all or any other matters connected with the Company, except the transfer of the share. Joint holders
19. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding HK\$2.50 (or such higher sum as may from time to time be permitted by the relevant rules of The Stock Exchange of Hong Kong Limited) and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Directors think fit. Replacement of share certificates
- Lien**
20. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all moneys, whether presently payable or not, called or payable at a fixed time in respect of such share. The Company's lien (if any) on a share shall extend to all dividends and bonuses declared in respect thereof. The Directors may resolve that any share shall for some specified period be exempt wholly or partially from the provisions of this bye-law. Company's lien
21. The Company may sell in such manner as the Directors think fit any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death or bankruptcy to the shares. Sale of shares subject to lien

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

Application of proceeds of such sale

Calls on shares

23. The Directors may from time to time make such calls as they may think fit upon the members in respect of any monies unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. The ~~board~~Board may, but is not obliged to, allot shares on terms that if a sum payable in respect of any call is not duly paid, the Directors may exercise the powers of forfeiture contained in bye-laws 48 to 57 of these presents, but the holder of the relevant shares shall have no other contractual liability to the Company in respect of such unpaid sums.

Calls

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

Notice of call

25. A copy of the notice referred to in bye-law 24 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.

Copy of notice to be sent to members

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

Every member liable to pay call at appointed time and place

27. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

When call deemed to have been made

28. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.

Liability of joint holders

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

Board may extend time fixed for call

30. Unless the terms of allotment of the shares in respect of which a call is made otherwise provide, if the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest for the same at such rate not exceeding twenty per cent. per annum as the ~~board~~Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the ~~board~~Board may waive payment of such interest wholly or in part.

Interest on unpaid calls

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

Suspension
of privileges
while call
unpaid

32. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued in pursuance of these bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in
action for
call

33. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these bye-laws be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these bye-laws as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified.

Sums payable
on allotment
deemed a call

34. The Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the moneys so advanced the Company may pay interest at such rate (if any) as the Directors may decide. The Directors may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of their intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

Payment of
calls in
advance

Transfer of shares

35. (A) The Directors may, in their absolute discretion, at any time and from time to time transfer any share upon the register to any branch register or any share on any branch register to the register or any other branch register.

Registration

(B) Unless the Directors otherwise agree, no shares on the register may be transferred to any branch register nor may shares on any branch register be transferred to the register or any other branch register. All transfers and other documents of title must be lodged for registration, in the case of shares on a branch register, at the relevant registration office and, in the case of shares on the register, at the Office.

36. All transfers of shares may be effected by transfer in writing in the usual common form or in such other form as the Directors may accept and may be under hand only.

Form of
transfer

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37. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, provided that the Directors may dispense with the execution of the instrument of transfer by the transferee in any case which they think fit in their discretion so to do. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these bye-laws shall preclude the ~~board~~Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

Execution of transfer

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

Directors may refuse to register a transfer

39. If the ~~board~~Board shall refuse to register a transfer of any share, it shall, within three months after the date on which the transfer was lodged at the registration office or Office, send to each of the transferor and the transferee notice of such refusal.

Notice of refusal

40. The Directors may also decline to recognise any instrument of transfer unless:–

Requirements as to transfer

- (i) a fee of HK\$2.50 (or such higher sum as may from time to time be permitted by the relevant rules of The Stock Exchange of Hong Kong Limited) or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof;
- (ii) the instrument of transfer is lodged at the relevant registration office or Office, as the case may be, and accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- (iii) the instrument of transfer is in respect of only one class of share; and
- (iv) if necessary, the instrument of transfer is properly stamped.

41. No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.

No transfer to an infant etc.

42. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the transfer.

Certificate of transfer

43. The registration of transfers may be suspended ~~and the register and any branch register may be closed~~, subject to compliance with any requirements ~~regarding advertisement~~ contained in the Statutes at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended ~~or the register be closed~~ for more than thirty days in any year.

When transfer books and register may be closed suspended

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Transmission of shares

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

Death of registered holder or of joint holder of shares

45. Subject to section 52 of the Act any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence as to his title being produced as may from time to time be required by the Directors, and subject as hereinafter provided, either be registered himself as holder of the share or elect to have some person nominated by him registered as the transferee thereof.

Registration of personal representatives and trustee in bankruptcy

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

Notice of election to be registered

Registration of nominee

47. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Directors may, if they think fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of bye-law 81 being met, such a person may vote at meetings.

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

Forfeiture of shares

48. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of bye-law 31, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

If call or instalment not paid notice may be given

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

Form of notice

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

If notice not complied with, shares may be forfeited

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

Forfeited shares to be deemed property of Company

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

Arrears to be paid notwithstanding forfeiture

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

Evidence of forfeiture

54. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register.

Notice after forfeiture

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

Power to redeem forfeited shares

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

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

57. The provisions of these bye-laws 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.

Forfeiture for non-payment of any sum due on shares

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Alteration of capital

58. (A) The Company may from time to time by Ordinary Resolution:–

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the ~~board~~**Board** may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the ~~board~~**Board** for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (ii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; and
- (iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the memorandum of association, subject nevertheless to the provisions of the Statutes, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

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

- (B) The Company may by Special Resolution reduce its authorised or issued share capital, or any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by the Statutes.

Reduction of capital

Borrowing powers

59. Subject to the provisions of the Statutes the Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.

Power to borrow

60. The Directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and subject to the Act, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Conditions on which money may be borrowed

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61. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Assignment
62. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise provided however that shares may not be issued at a discount. Special privileges
63. (A) The Directors shall cause a register to be kept of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Companies Act in regard to the registration of mortgages and charges. Register of charges to be kept
- (B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Directors shall cause a register to be kept of the holders of such debentures. Register of debentures or debenture stock
64. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge. Mortgage of uncalled capital

General meetings

65. Subject to the Act, the Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one such annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and place as the Directors shall appoint must be held within six months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any). When annual general meeting to be held
66. All general meetings other than annual general meetings shall be called special general meetings. Special general meeting
- 66A. All general meetings may be held by means of such telephone, electronic or other communication facilities (including, without limiting the generality of the foregoing, by telephone, or by video conferencing) as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting. A general meeting may be held, as may be determined by the Board from time to time: (a) by physical attendance and participation by members at the specified place and where applicable, one or more places; (b) wholly by means of telephone, electronic or other communication facilities as mentioned above; or (c) by physical attendance at the specified place and where applicable, one or more places and at the same time by means of telephone, electronic or other communication facilities as mentioned above. Electronic, etc. meeting

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67. The Directors may, whenever they think fit, convene a special general meeting and special general meetings shall also be convened on requisition, as provided by the Statutes, ~~or, in default, may be convened by the requisitionists.~~ Special general meetings shall also be convened on the requisition of one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, by written requisition to the Board or the secretary, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fail to proceed to convene such meeting, the requisitionists themselves may do so in accordance with the provisions of the Companies Act.

Convening of
special
general
meeting

67A. (A) The provisions of this bye-law shall apply if any general meeting is convened at or adjourned to more than one place.

General
meeting
convened at
or adjourned
to more than
one place

(B) The notice of any general meeting or adjourned meeting shall specify the specified place and the Board shall make arrangements for simultaneous attendance and participation in a meeting at other places (whether adjoining the specified place or in a different and separate place or places altogether or otherwise) (“the meeting place(s)”) by the members. The members present at any such meeting place in person or by proxy and entitled to vote shall be counted in the quorum for, and shall be entitled to vote at, the general meeting in question if the chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members attending at all the meeting places are able to:

- (i) communicate simultaneously and instantaneously with the persons present at the other meeting place or places, whether by use of microphones, loud-speakers, audio-visual or other communications equipment or facilities; and
- (ii) have access to all documents which are required by the Act and these bye-laws to be made available at the meeting.

(C) The chairman of the general meeting shall be present at, and the meeting shall be deemed to take place at, the specified place. If it appears to the chairman of the general meeting that the facilities at the specified place or any meeting place are or become inadequate to give all persons entitled to do so a reasonable opportunity to communicate simultaneously and instantaneously including to speak and vote at the meeting, then the chairman of the general meeting may, without the consent of the meeting, interrupt or adjourn the general meeting. All business conducted at that general meeting up to the time of such adjournment shall be valid.

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- (D) The Board or, at any general meeting, the chairman of the meeting may from time to time make such arrangements for the purpose of managing the level of attendance at any such specified place and where applicable, one or more meeting places, shall be responsible for maintaining adequate facilities to enable them to do so. Subject to bye-law 67A(C), any inability of a person or persons to attend or to communicate simultaneously and instantaneously including to speak and vote at the meeting in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.
- (E) If a meeting is adjourned to more than one place, notice of the adjourned meeting shall specify the details of the meeting set out in bye-law 68.
- (F) All persons seeking to attend and participate in a general meeting: (a) wholly by means of telephone, electronic or other communication facilities as mentioned above; or (b) by physical attendance at the specified place and where applicable, one or more places and at the same time by means of telephone, electronic or other communication facilities, shall be responsible for maintaining adequate facilities to enable them to do so. Subject to bye-law 67A(C), any inability of a person or persons to attend or to communicate simultaneously and instantaneously including to speak and vote at the meeting in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

68. An annual general meeting ~~and any special general meeting called for the passing of a Special Resolution~~ shall be called by twenty-one days' notice in writing at the least, and all ~~other~~ special general meetings ~~of the Company~~ shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify: (a) the time and date of the meeting; (b) save for a meeting held wholly by means of telephone, electronic or other communication facilities, the place of the meeting and if there is more than one meeting location, the specified place; (c) if the general meeting is to be held wholly or partly by means of telephone, electronic or other communication facilities, the notice shall include a statement to that effect and with details of the communication facilities for attendance and participation or how such details will be made available by the Company prior to the meeting; the place, the day and the hour of meeting and; (d) in case of special business, the general nature of that business, and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these bye-laws, entitled to receive such notices from the Company, provided that subject to the provisions of the Companies Act, if permitted by the Listing Rules, a meeting of the Company notwithstanding that it is called by shorter notice than that specified in this bye-law be deemed to have been duly called if it is so agreed:-

Notice of meetings

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

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

Omission to give notice

Proceedings at general meetings

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

Special business
Business of annual general meeting

70A. All members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the Listing Rules or the rules, codes or regulations of any competent regulatory authority, to abstain from voting to approve the matter under consideration.

Right to speak and vote at general meeting

71. For all purposes the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. No business other than the appointment of a chairman shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.

Quorum

72. 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, but in any other case it shall stand adjourned to the same day in the next week and at such time and place (if any) as shall be decided by the Directors.

If quorum not present meeting to be dissolved or adjourned

73. The chairman of the ~~board~~Board shall take the chair at every general meeting, or, if there be no such chairman or, if at any general meeting such chairman shall not be present within fifteen minutes after the time appointed for holding such meeting, the members present shall choose another Director as chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the chairman chosen shall retire from the chair, then the members present shall choose one of their own member to be chairman.

Chairman of general meeting

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74. The chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time (or sine die) and/or (if applicable) from place to place and/or from one form to another as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting details of the meeting set out in bye-law 68 but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Power to adjourn general meetings, business of adjourned meeting

75. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required by the Listing Rules or (before or on the declaration of the result of the show of hands) demanded by:-

Who may demand a poll

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

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

Evidence of passing of a resolution where poll not demanded

76. Subject to bye-law 77, if a poll is required or demanded as aforesaid, it shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place (if any), not being more than thirty days from the date of the meeting or adjourned meeting at which the poll was required or demanded as the chairman directs. No notice needs to be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. The demand for a poll may be withdrawn.

Poll

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

In what case poll taken without adjournment

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

Chairman to have casting vote

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

Business may proceed notwithstanding demand for poll

Votes of members

80. (A) Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, or stipulated in the terms of issue of any shares at any general meeting on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a representative duly authorised under the Companies Act shall have one vote, and on a poll every member present in person or by proxy or being a corporation is present by a duly authorised representative or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid up and shall have for every partly paid share of which he is the holder the fraction of one vote equal to the proportion which the nominal amount paid up or credited as paid up thereon bears to the nominal value of the share (but no amount paid or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this bye-law as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Votes of members

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

81. Any person entitled under bye-law 45 to be registered as a shareholder may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Directors of his right to be registered as the holder of such shares or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect of deceased and bankrupt members

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

Joint holders

83. A member of unsound mind or in respect of whom an order has been issued by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy.

Votes of member of unsound mind

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84. (A) Save as expressly provided in these bye-laws, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting. Qualification for voting
- (B) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairman, whose decision shall be final and conclusive.
85. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion. Notwithstanding anything contained in these bye-laws, where more than one proxy is appointed by a member of the Company which is a ~~recognised~~ clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. Proxies
86. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Instrument appointing proxy to be in writing
87. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the head office of the Company or at such other place as is specified in the notice of meeting or in the instrument of proxy issued by the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after expiration of twelve months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve months from such date. Appointment of proxy must be deposited
88. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Directors may from time to time approve provided that, in any event, such form shall include a provision whereby the shareholder may, if he so elects, indicate whether his proxy is directed to vote for or against the resolution in question. Form of proxy
89. The instrument appointing a proxy to vote at a general meeting shall: (i) 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; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Authority under instrument appointing proxy

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90. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its head office, or at such other place as is referred to in bye-law 87, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.

When vote by proxy valid though authority revoked

91. (A) Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such 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 authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

Corporation acting by representative

(~~AB~~) If permitted by the Companies Act, where a member is a ~~recognised~~ clearing house, it may authorise such person (or persons) as it thinks fit to act as its representative (or representatives) at any meeting of the Company or of any class of members of the Company or any creditors' meeting provided that, if more than one person is so authorised, the authorisation must specify the number and class of shares in respect of which each such person is so authorised. The person so authorised shall be entitled to exercise the same rights and powers on behalf of the ~~recognised~~ clearing house as that clearing house (or its nominees) could exercise in respect of the number and class of shares specified in the relevant authorisation as if it were an individual member of the Company, including the right to vote and the right to speak.

92. A corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person authorised as referred to in bye-law 91 is present thereat. Any reference in these presents to a duly authorised representative of a member being a corporation shall mean a representative authorised under the provisions of these bye-laws.

The Board

93. The number of Directors shall not be less than two. There shall be no maximum number of Directors.

Constitution of ~~board~~ Board

94. The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the ~~board~~ Board but so that the maximum number of directors so appointed shall not exceed the number determined from time to time by the members in general meeting. Any Director so appointed shall hold office only until the ~~next following~~ first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

Board may fill vacancies

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

95. (A) Any Director may at any time by notice in writing under his hand and deposited at the head office, or delivered at a meeting of the Directors, appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved.
- (B) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- (C) An alternate Director shall (except when absent from the relevant territories), be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from territory in which the head office is situate or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of the Director for whom he is the alternate. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these bye-laws.
- (D) An alternate Director shall, subject to compliance with the provisions of paragraph 102 of these bye-laws, be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

Alternate
Directors

96. A Director or an alternate Director need not have registered in his name any shares in the Company by way of qualification. A Director or an alternate director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

Qualification
shares for
Directors and
alternate
Directors

97. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the ~~board~~Board may agree, or, failing agreement, equally, except that 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.

Directors'
remuneration

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

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

Directors' expenses

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

Special remuneration

100. Notwithstanding bye-laws 97, 98 and 99, the remuneration of a managing director, joint managing director, deputy managing director or other executive director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors 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 Directors may from time to time decide. Such remuneration shall be in addition to his remuneration as a Director.

Remuneration of managing directors, etc.

101. (A) A Director shall vacate his office:–

When office of Director to be vacated

- (i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (ii) if he becomes a lunatic or of unsound mind;
- (iii) if he absents himself from the meetings of the ~~board~~Board during a continuous period of six months, without special leave of absence from the ~~board~~Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the ~~board~~Board passes a resolution that he has by reason of such absence vacated his office;
- (iv) if he becomes prohibited from being a Director by reason of any order made under any provision of the Companies Act;
- (v) if by notice in writing delivered to the Company at the Office or the head office he resigns his office;
- (vi) if, having been appointed to an office under bye-law 103, he is dismissed or removed therefrom by the ~~board~~Board under bye-law 104;
- (vii) if he shall be removed from office by an Ordinary Resolution of the Company under bye-law 117;
- (viii) if he shall be convicted in any jurisdiction of a criminal offence involving dishonesty.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

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

102. (A) (i) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall forthwith disclose the nature of his interest in any contract or arrangement in which he is interested as required by and subject to the provisions of the Companies Act.

Directors
may contract
with
Company

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

(a) 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;

(b) 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;

*~~(c)~~ [Intentionally deleted]

(d) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

**As amended by a special resolution passed on 25th May, 2012*

- (aa) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme involving the issue or grant of options over shares or other securities by the Company 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 both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
 - (e) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.
- *⁽ⁱⁱⁱ⁾ [Intentionally deleted]
- *^(iv) [Intentionally deleted]
- (v) 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) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the chairman and his ruling in relation to such other Director or his associate(s) shall be final and conclusive except in a case where the nature or extent of the interest of the Director or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman or his associate(s) such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and 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 or his associate(s) as known to such chairman has not been fairly disclosed to the Board.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

- (vi) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit provided however that a Director shall not be entitled to vote on any resolution of the Board in relation to the appointment of himself as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of any such company which is a subsidiary of the Company and provided further that a Director may not vote on any resolution of the Board in relation to the exercise of voting rights attached to any shares in any company which is a subsidiary of the Company in relation to any contract or arrangement in which he is materially interested (other than in his capacity as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such company) but he shall be counted in the quorum present at the meeting at which such contract or arrangement is considered.
- (vii) A general notice to the Directors by a Director that he is to be regarded as interested in any contract or arrangement which may be made with any specified person, firm or corporation after the date of such notice shall be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Directors or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Directors after it is given.
- (B) A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (C) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.
- (D) Notwithstanding any other provisions of this bye-law, any payment to a Director or past Director of the Company by way of compensation for loss of office or as consideration for or in connection with his retirement from office other than payments to which a Director is entitled by contract must be approved by the Company in general meeting.
- (E) The provisions set out in bye-law 102 shall apply in all respects to each of the alternate directors of the Company to the same extent mutatis mutandis as if he were a Director.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

Managing Directors, etc.

103. The ~~board~~Board may from time to time appoint any one or more of its body to the office of managing director, joint managing director, deputy managing director, or other executive director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with bye-law 100.

Power to
appoint
managing
directors, etc.

104. Every Director appointed to an office under bye-law 103 hereof shall, subject to the provisions of any contract between himself and the Company with regard to his employment in such office, be liable to be dismissed or removed therefrom by the ~~board~~Board.

Removal of
managing
director, etc.

105. A Director appointed to an office under bye-law 103 shall be subject to the same provisions as to removal as the other Directors and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Cessation of
appointment

106. The Directors may from time to time entrust to and confer upon a managing director, joint managing director, deputy managing director or executive director all or any of the powers of the Directors that they may think fit. But the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Directors may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied.

Powers may
be delegated

Management

107. (A) Subject to any exercise by the Directors of the powers conferred by bye-laws 108 to 110, the management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by these bye-laws expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Companies Act expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Act and of these bye-laws and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions or these bye-laws, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

General
powers of
Company
vested in
Directors

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

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

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

Managers

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

Appointment
and
remuneration
of managers

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

Tenure of
office and
powers

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

Terms and
conditions of
appointment

Retirement of Directors

111. (A) At each annual general meeting one-third of the Directors for the time being (save for any executive chairman and managing director) (or, if their number is not three, or a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (save for any executive chairman and managing director) shall be subject to retirement by rotation at least once every three years. No Director (save for any executive chairman and managing director) shall hold office for a continuous period in excess of three years, or past the third annual general meeting, following the Director's appointment or re-election, whichever is longer, without submitting himself for re-election at an annual general meeting of the shareholders. Notwithstanding any contrary provisions in these bye-laws, any Director appointed by the Board pursuant to bye-law 94 shall not be taken into account in determining which particular Director(s) or the number of Directors who are to retire by rotation in accordance with this bye-law 111(A).

Retirement of
Directors

(B) 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.

(C) The retirement of a Director pursuant to this bye-law shall not have effect until the conclusion of any general meeting 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 pursuant to bye-law 113 will continue in office without a break.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

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

Meeting to fill up vacancies

(B) A resolution for the election 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 bye-law shall be void.

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

Retiring Directors to remain in office until successors appointed

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

114. The Company may from time to time in general meeting by Ordinary Resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two.

Power of general meeting to increase or reduce number of Directors

115. No person shall be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company. The period for lodgement of the notice required under this Byebye-law shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days.

Notice to be given when person proposed for election

116. The Company shall keep at its head office a register containing the names and addresses, occupations and nationalities of its Directors and Secretaries.

Register of Directors and Secretaries

117. The Company may by Ordinary Resolution remove any Director (including a managing or other executive director, but without prejudice to any claim for damages that may thereby arise) before the expiration of his periodterm of office notwithstanding anything in these bye-laws or in any agreement between the Company and such Director and may by Ordinary Resolution elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

Power to remove Director by Ordinary Resolution

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

Proceedings of the Directors

118. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purposes of this bye-law an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is an alternate for more than one Director, he shall for quorum purposes count as only one Director. A Director or any member of a committee of the Directors may participate in a meeting of the ~~board~~Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.

Meeting of
Directors,
quorum, etc.

119. A Director may, and on request of a Director the secretary shall, at any time summon a meeting of the ~~board~~Board. Notice thereof shall be given to each Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the ~~board~~Board may from time to time determine.

Convening of
~~board~~Board
meeting

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

How
questions to
be decided

121. The Directors may elect a chairman of their meetings and determine the period (not being a period extending beyond the date of the annual general meeting at which such chairman is due to retire) for which he is to hold office; but if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their member to be chairman of the meeting.

Chairman

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

Power of
meeting

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

Power to
appoint
committee
and to
delegate

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

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

125. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors.

Proceedings
of committee

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

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

Acts of Directors or committee to be valid notwithstanding defects

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

Directors' powers when vacancies exist

128. A resolution in writing signed by ~~each of~~all the Directors ~~for the time being in the relevant territories~~ (or their respective alternates appointed pursuant to bye-law 95) shall, ~~provided such directors (or their respective alternates) would constitute a quorum at any meeting of the board convened to consider the resolution, and provided further that a copy of such resolution has been given or the contents thereof communicated to all of the Directors for the time being entitled to receive notices of meetings of the Directors in the same manner as notices of meetings are required to be given by these presents,~~ be as valid and effectual as if it has been passed at a meeting of the Directors duly convened and held and may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

Directors' resolutions

Secretary

129. (A) The secretary shall be appointed by the ~~board~~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~~Board. Anything by the Companies Act or these bye-laws required or authorised to be done by or to the secretary, if the office is vacant or there is for any other reason no secretary capable of acting, may be done by or to any assistant or deputy secretary, or if there is no assistant or deputy secretary capable of acting, by or to any officer of the Company authorised generally or specially on that behalf by the ~~board~~Board.

Appointment of secretary

(B) The Secretary shall ordinarily reside in the territory where the head office is situate.

Residence

130. A provision of the Companies Act or of these bye-laws requiring or authorising a thing to be done by or to a Director and the secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the secretary.

Same person not to act in two capacities at once

Resident Representative

131. Where the Company does not have a quorum of Directors ordinarily resident in Bermuda, the Company shall in accordance with the Statutes appoint and maintain a resident representative (being a person ordinarily resident in Bermuda) and the resident representative shall maintain an office in Bermuda and comply with the provisions of the Statutes.

Resident Representative

The Company shall provide the resident representative with such information as the resident representative may require in order to be able to comply with the provisions of the Statutes.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

General management and use of the seal

132. The Company may have one or more seals as the ~~board~~Board may determine for use in Bermuda as well as other territories. The Company may also have, for use for sealing securities issued by the Company, and for sealing documents creating or evidencing documents so issued, an official seal which is a facsimile of the common seal with the addition on its face of the words “Securities Seal”. The ~~board~~Board shall provide for the safe custody of the seals which shall only be used by the authority of the ~~board~~Board or of a committee of the ~~board~~Board authorised by the ~~board~~Board on that behalf, and every instrument to which the seal shall be affixed shall be signed by a Director and shall be countersigned by the secretary or by a second Director or by some other person appointed by the ~~board~~Board for the purpose, provided that the ~~board~~Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which the seal may be affixed as the ~~board~~Board may determine) that such signatures or any of them may be affixed to certificates for shares or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this bye-law shall be deemed to be sealed and executed with the authority of the Directors previously given.

Custody of
seals

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

Cheques and
banking
arrangements

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

Power to
appoint
attorney

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

Execution of
deeds by
attorney

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

135. The ~~board~~**Board** may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in the relevant territories or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the ~~board~~**Board** (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the ~~board~~**Board** may think fit, and the ~~board~~**Board** may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Local boards

136. The ~~board~~**Board** may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The ~~board~~**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~~**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.

Power to establish pension funds

Capitalisation of reserves

137. (A) The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution (and not required for the payment or provision of the dividend on any shares with a preferential right to dividend) and accordingly that such sums be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid or partly in the one way and partly in the other, and the Directors shall give effect to such resolution, provided that a share premium account and any reserve or fund representing unrealised profits may, for the purposes of this bye-law, only be applied in paying up unissued shares to be issued to members of the Company credited as fully paid up shares. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

Power to capitalise

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
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- (B) Wherever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares or debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provision for the benefit of fractional entitlements to accrue to the Company rather than to the members concerned) as they think fit for the case of shares or debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

- (C) The Directors may, in relation to any capitalisation sanctioned under this bye-law in their absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such capitalisation, shall allot and distribute credited as fully paid up the unissued shares or debentures to which that member is entitled to such person or persons as that member may nominate by notice in writing to the Company, such notice to be received not later than the day for which the general meeting of the Company to sanction the capitalisation is convened.

Effect of resolution to capitalise

Dividends and reserves

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

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

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

Power to declare dividends

Board's power to pay interim dividends

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

140. No dividend shall be payable except out of the profits of the Company available for distribution (such profits being ascertained in accordance with the Act) or contributed surplus. No dividend shall carry interest.

Dividends
not to be paid
out of capital

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

Scip
dividends

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

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

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

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

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

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

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

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

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

Reserves

143. Subject to the rights of persons, if any, entitled to shares with special rights as to dividend, and subject to the terms of issue of any shares providing to the contrary, all dividends shall be declared and paid according to the amounts paid or credited as paid up on the shares in respect whereof the dividend is paid, but no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this bye-law as paid up on the share.

Dividends to be paid in proportion to paid up capital

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
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144. (A) The Directors may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends etc.
- (B) The Directors 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. Deduction of debts
145. Any general meeting sanctioning a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the member, be set off against the call. Dividend and call together
146. Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared, the Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Directors may settle the same as they think expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. Where requisite, a contract shall be filed in accordance with the provisions of the Companies Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective. Dividend in specie
147. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer. Effect of transfer
148. If two or more persons are registered as joint holders of any shares, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares. Receipt for dividends by joint holders
149. Unless otherwise directed by the Directors, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Payment by post

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
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150. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Directors and shall revert to the Company.

Unclaimed dividend

Annual returns

151. The Directors shall make the requisite annual returns in accordance with the requirements of the relevant territories, if any.

Annual returns

Accounts

152. The Directors shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

Accounts to be kept

153. The books of account shall be kept at the Office or, subject to the Act, at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.

Where accounts to be kept

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

Inspection by members

155. (A) Subject to Section 88 of the Act, the Directors shall lay before the Company at each annual general meeting the audited profit and loss accounts, balance sheets, group accounts (if any) and reports of the Company in respect of the preceding financial year or other period for which audited accounts have been prepared.

Annual profit and loss account and balance sheet

(B) Every balance sheet of the Company shall be signed pursuant to the provisions of the Companies Act, and a printed copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account which is to be laid before the Company in general meeting, together with a printed copy of the Directors' report and a printed copy of the auditors' report, shall not less than twenty-one days before the date of the meeting, be delivered or sent by post to the registered address of every member of, and every holder of debentures of the Company and every person registered under bye-law 45 and every other person entitled to receive notices of general meetings of the Company, provided that this bye-law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of joint holders of any shares or debentures.

Annual report of Directors and balance sheet to be sent to members

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Audit

156. Auditors shall be appointed and their duties shall be regulated in accordance with the provisions of the Statutes.

Auditors

156A. Subject to the Act and bye-law 156B, at the annual general meeting or at a subsequent special general meeting, the members may by Ordinary Resolution appoint one or more auditors to hold office until the conclusion of the next annual general meeting, but if an appointment is not made, the auditors in office shall continue in office until a successor is appointed. Such auditor may be a member but Director, officer or employee of the Company or of any of its subsidiaries or a partner, officer or employee of any such Director, officer or employee shall not be capable of being appointed auditors of the Company. The Board may fill any casual vacancy in the office of auditors, but while any such vacancy continues the surviving or continuing auditors (if any) may act. The remuneration of any auditor appointed by the Board under this bye-law may be fixed by the Board.

156B. The shareholders may, at any general meeting convened and held in accordance with these bye-laws, remove the auditors by Extraordinary Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.

157. Subject as otherwise provided by the Statutes the remuneration of the auditors shall be fixed by the Company in general meeting by Ordinary Resolution or in such manner as the members may by Ordinary Resolution determine, provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Directors.

Remuneration
of auditors

158. Every statement of accounts audited by the Company's auditors (which, subject to Section 88 of the Act, shall be conducted at least once in every year) and presented by the Directors at a general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of account amended in respect of the error shall be conclusive.

When
accounts to
be deemed
finally settled

Notices

159. (A) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these bye-laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by the Listing Rules from time to time and subject to this bye-law, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing.

Service of
notices

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
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- (B) Any notice or document to be given to or by any person pursuant to these bye-laws may be served on or delivered to any shareholder of the Company either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such shareholder at his registered address as appearing in the register or by leaving it at that address addressed to the shareholder or, to the extent permitted by the applicable Statutes and the Listing Rules, by telex, facsimile transmission number or other electronic transmission number, address or website provided by the shareholder to the Company for the purpose of transmission or by any other means authorised in writing by the shareholder concerned or (other than share certificates) by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in Hong Kong. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by the Listing Rules from time to time, a notice or document may be served or delivered by the Company to any shareholder by electronic means to such address as may from time to time be authorised by the shareholder concerned or by publishing it on a website and notifying the shareholder concerned that it has been so published (“notice of availability”). The notice of availability may be given to the shareholder by any of the means set out above (except by way of publishing on a website), subject to compliance with the requirements of the Statutes and the Listing Rules.
- (C) Any such notice or document may be served or delivered by the Company by reference to the register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these bye-laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.
- (D) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the head office or the registered office of the Company in Bermuda.
- (E) The ~~board~~Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the ~~board~~Board.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
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160. Where the registered address of a member is outside the relevant territories, notice, if given through the post, shall be sent by pre-paid air mail letter. Any member whose registered address is outside the relevant territories may notify the Company in writing of an address in the relevant territories which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address shall be deemed to have received any notice which shall have been displayed at the head office of the Company and shall have remained there for the space of twenty-four hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed.

Members out of relevant territories

161. Any notice or other document

When notice deemed to be served

- (i) if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at the address of a shareholder noted on the register shall be deemed to have been served or delivered on the day it was so left;
- (ii) if sent by electronic means (including through any relevant system but other than publishing on the Company's website), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company;
- (iii) if published on a website shall be deemed to have been given by the Company to a shareholder on the later of (a) the day on which a notice of availability is deemed served on such shareholder and (b) the date on which such notice or document has been published on the website;
- (iv) if served or delivered by the Company by any other means authorised in writing by the shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose;
- (v) if published by way of advertisement in newspapers shall be deemed to have been served or delivered on the day it was so published or posted.

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

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

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

Transferee to be bound by prior notices

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

Notice valid though member deceased

165. The signature to any notice to be given by the Company may be written or printed.

How notice to be signed

Information

166. No member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

Member not entitled to information

Winding up

167. (A) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Division of assets in liquidation

(B) A resolution that the Company be wound up by the court or wound up voluntarily shall be a Special Resolution.

(C) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a Special Resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributor shall be compelled to accept any shares in respect of which there is a liability.

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

Service of
process

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

Dividend
entitlements
etc., of
untraceable
members

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

Sale of shares
of
untraceable
members

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the bye-laws of the Company have remained uncashed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and
- (iii) where such shares are listed on The Stock Exchange of Hong Kong Limited, the Company has caused an advertisement to be inserted in a leading English language daily newspaper and a leading Chinese language daily newspaper circulating in Hong Kong giving notice of its intention to sell such shares and has notified The Stock Exchange of Hong Kong Limited of such intention and a period of three (3) months has elapsed since the date of such advertisement.

For the purpose of the foregoing, "relevant period" means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (iii) of this bye-law and ending at the expiry of the period referred to in that paragraph.

**APPENDIX II PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND
ADOPTION OF THE AMENDED AND RESTATED BYE-LAWS**

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

Indemnity

170. Save and except so far as the provisions of this bye-law shall be avoided by any provisions of the Statutes:— Indemnity

- (A) every Director or other officer of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and everyone of them and everyone of their heirs, executors and administrators, shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto, provided that this bye-law shall only have effect in so far as its provisions are not avoided by the Companies Act; and
- (B) if any Director or other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

NOTICE OF ANNUAL GENERAL MEETING



CHINESE ESTATES HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 127)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Chinese Estates Holdings Limited (the “**Company**”) will be held at The Air, L16, The ONE, 100 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2023 at 10:00 a.m. (the “**Meeting**”) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated Financial Statements, Directors’ Report and Auditors’ Report for the year ended 31 December 2022.
2. To re-elect retiring Directors and authorise the Board to fix the remuneration of the Directors.
3. To re-appoint Auditors and to authorise the Board to fix the remuneration of the Auditors.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all powers of the Company to buy-back issued shares of HK\$0.10 each in the capital of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to buy-back its shares at a price determined by the Directors;

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate number of the shares which are authorised to be bought back by the Directors of the Company pursuant to the approval in paragraph (a) above shall not exceed 10 per cent. of the total number of shares in issue of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company; or

(ii) the expiration of the period within which the next annual general meeting of the Company is required by laws and/or the Company’s Bye-laws to be held; or

(iii) the date upon which the authority set out in this resolution is revoked or varied by ordinary resolution of the Company in general meeting.”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT:**

(a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period of all powers of the Company to issue, allot and deal with new shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, or (ii) the share award scheme or the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20 per cent. of the total number of shares in issue of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“Relevant Period” shall have the same meaning as ascribed to it under resolution no. 4(d) as set out in the notice convening the Meeting of which this resolution forms part; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company 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 of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of or any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution of the Company:

“**THAT** conditional upon the passing of the resolutions nos. 4 and 5 as set out in the notice convening the Meeting, the general mandate granted to the Directors of the Company pursuant to the resolution no. 5 as set out in the notice convening the Meeting be and is hereby extended by the addition thereto of a number representing the total number of shares of the Company to be bought back by the Company under the authority granted pursuant to the resolution no. 4 as set out in the notice convening the Meeting, provided that such number shall not exceed 10 per cent. of the total number of shares in issue of the Company as at the date of passing this resolution.”

7. To consider and, if thought fit, pass with or without modification the following resolution as a Special Resolution of the Company:

“**THAT** the proposed amendments to the existing bye-laws of the Company set out in Appendix II to the circular of the Company dated 27 April 2023 of which this notice forms part be and are hereby approved and the amended and restated bye-laws of the Company incorporating and consolidating the said amendments (a copy of which having been produced before the Meeting and signed by the chairman of the Meeting for the purpose of identification) be and is hereby adopted as the new bye-laws of the Company, in substitution for, and to the exclusion of, the existing bye-laws of the Company with effect from the conclusion of the Meeting.”

By Order of the Board

Lam, Kwong-wai

Executive Director and Company Secretary

Hong Kong, 27 April 2023

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. For the purpose of ascertaining the members' eligibility to attend and vote at the Meeting, the register of members will be closed from 22 May 2023 to 25 May 2023, both days inclusive. In order to eligible to attend and vote at the Meeting, all properly completed share transfers documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch registrar and transfer office in Hong Kong, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 19 May 2023.
2. Any shareholder of the Company (the "**Shareholder(s)**") entitled to attend and vote at the Meeting is entitled to appoint one or more separate proxies to attend and to vote instead of him. A proxy need not be a Shareholder.
3. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed (or a notorially certified copy thereof) must be deposited at the Company's branch registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or at any adjournment thereof.
4. All resolutions as set out in this notice will be taken by poll at the Meeting.
5. With respect to the resolution no. 4 of this notice, approval is being sought from the Shareholders for a general mandate to be given to the Directors to buy-back shares of the Company in accordance with all applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").
6. With respect to the resolutions nos. 5 and 6 of this notice, approval is being sought from the Shareholders for general mandates to be given to the Directors to issue, allot and deal with shares of the Company in accordance with all applicable laws and the Listing Rules.
7. With respect to the resolution no. 7 of this notice, approval is being sought from the Shareholders to approve the amendments to the existing bye-laws of the Company and adoption of a new set of bye-laws of the Company.
8. A circular containing the information with respect to certain resolutions and this notice have been sent to the Shareholders together with the annual report of the Company for the year ended 31 December 2022.
9. As at the date hereof, the Board comprised Ms. Chan, Hoi-wan, Ms. Chan, Lok-wan and Mr. Lam, Kwong-wai as Executive Directors, Mr. Lau, Ming-wai and Ms. Amy Lau, Yuk-wai as Non-executive Directors, and Mr. Chan, Kwok-wai, Mr. Leung, Yun-fai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun as Independent Non-executive Directors.