
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Mengniu Dairy Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA MENGNIU DAIRY COMPANY LIMITED

中國蒙牛乳業有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2319)

**GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED APPOINTMENT OF AUDITORS,
PROPOSED FINAL DIVIDEND,
PROPOSED AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION AND
ADOPTION OF NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice (the “**Notice of the Annual General Meeting**”) convening the annual general meeting of China Mengniu Dairy Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to be held at the Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 11:30 a.m. on Wednesday, 8 June 2022 (the “**Annual General Meeting**”) is set out on pages 121 to 125 of this circular.

In light of the continuing risks posed by the COVID-19 epidemic, the Company strongly encourages Shareholders to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person, by completing and return the proxy form attached to this document. The Company will also allow Shareholders to participate in the Annual General Meeting online.

Whether or not you are able to attend the Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjournment meeting should you so wish.

Please refer to the section headed “**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**” in this circular for measures being taken to try to prevent and control the spread of the COVID-19 at the Annual General Meeting.

* *For identification purpose only*

17 May 2022

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing COVID-19 pandemic, Shareholders can attend the Annual General Meeting in person or through Computershare's e-Meeting System (“**online platform**”). The Company will implement the following precautionary measures at the Annual General Meeting to ensure the safety of the Shareholders who might be attending the Annual General Meeting in person:

BEFORE THE ANNUAL GENERAL MEETING

- 1. Voting by proxy in advance of the Annual General Meeting:** The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. **Shareholders are strongly encouraged to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person.** Physical attendance is not necessary for the purpose of exercising Shareholders' rights. **Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof should they so wish.**

The deadline to submit completed proxy forms is on Monday, 6 June 2022 at 11:30 a.m. Completed proxy forms must be returned to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

If any Shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the Board of the Company, he/she is welcome to send such question or matter in writing to our principal office in Hong Kong or to our email at info@mengniu.com.

PHYSICAL ATTENDANCE

1. Compulsory body temperature screening/checks will be conducted on every attendee at the entrance of the Annual General Meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, or who is exhibiting flu-like symptoms may be denied entry into the Annual General Meeting venue and be requested to leave the Annual General Meeting venue;
2. Every attendee will be required to submit a completed and signed Health Declaration Form (Form) prior to entry into the Annual General Meeting venue. The completed and signed Form must be ready for collection at the main entrance of the Annual General Meeting venue to ensure prompt and smooth processing;
3. Each attendee must scan the “LeaveHomeSafe” venue QR code and comply with the requirements of Vaccine Pass Direction (defined under the Prevention and Control of Disease (Vaccine Pass) Regulation (Cap.599L of the Laws of Hong Kong)) prior to entry into the Annual General Meeting venue;

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

4. Every attendee is required to wear a surgical face mask throughout the Annual General Meeting and sit at a safe distance from other attendees. Please note that no masks will be provided at the Annual General Meeting venue and attendees should bring and wear their own masks; and
5. No distribution of corporate gifts and no provision of refreshments or drinks.

Any attendee, who (a) refuses to comply with the precautionary measures (1) to (4) above; (b) is subject to the Hong Kong Government's quarantine requirements or has close contact with any person under quarantine; (c) is subject to the Hong Kong Government's prescribed testing requirement or direction and has not tested negative; or (d) feels unwell or has any symptoms of Covid-19, will be denied entry into or be required to leave the Annual General Meeting venue at the absolute discretion of the Company as permitted by law.

The Company will limit attendance in person at the Annual General Meeting venue in accordance with prevailing requirements or guidelines published by the Hong Kong Government and/or regulatory authorities at the time of the Annual General Meeting. Given the limited capacity of the Annual General Meeting venue and the requirements for social distancing to ensure attendees safety, admission to the Annual General Meeting venue will not be granted in excess of the capacity of the Annual General Meeting venue.

ONLINE ATTENDANCE

Shareholders can participate in the Annual General Meeting through the online platform. By logging in the dedicated online platform with a smart phone, tablet or computer with access to the internet, Shareholders can listen the live audio broadcast and submit questions through the online platform. Details and instructions of the dedicated online platform and the login details are set out in the Company's notification letter sent together with this circular. Shareholders shall also refer to the User Guide posted on the Company's website on how to use the live audio broadcast.

Corporate Shareholders who wish to attend the Annual General Meeting online, please contact the branch share registrar of the Company at +852 2862 8555 on or before 6 June 2022 for arrangement.

Non-registered Shareholders whose shares in the Company are held in the Central Clearing and Settlement System through banks, brokers, custodians, nominees or HKSCC Nominees Limited (together, the Intermediary) may be able to participate in the Annual General Meeting online. In this regard, you should consult directly with your Intermediary for the necessary arrangements.

However, if a Shareholder only participate in the Annual General Meeting online (i.e. neither the Shareholder nor his corporate representative nor his proxy attends the Annual General Meeting physically and votes), such Shareholders will not be able to cast their vote online. Shareholders not physically attending the Annual General Meeting but wish to vote may exercise their voting rights by appointing the chairman of the Annual General Meeting as their proxy in advance.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the travelling restrictions and quarantine requirements imposed by various jurisdictions including Hong Kong to prevent the spread of the COVID-19 pandemic, certain Directors may attend the Annual General Meeting through electronic means.

Subject to the development of the COVID-19 pandemic, the Company may implement further changes and precautionary measures at short notice. Shareholders should check the Company's website at www.mengniu.com for future announcements and updates on the Annual General Meeting arrangements.

If Shareholders have any questions relating to the Annual General Meeting (including how to attend virtually), please contact Computershare Hong Kong Investor Services Limited, the branch share registrar of the Company, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong
Telephone: (852) 2862 8555 From 9:00 a.m. to 6:00 p.m.
(Monday to Friday, excluding Hong Kong public holidays)
Facsimile: (852) 2865 0990
Website: www.computershare.com/hk/contact



CHINA MENGNIU DAIRY COMPANY LIMITED

中國蒙牛乳業有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2319)

Directors:

Mr. Jeffrey, Minfang Lu (*Chief Executive Officer*)
Ms. Wang Yan
Mr. Zhang Ping
Mr. Chen Lang[#] (*Chairman*)
Mr. Wang Xi[#]
Mr. Simon Dominic Stevens[#]
Mr. Yih Dieter (alias Yih Lai Tak, Dieter)*
Mr. Li Michael Hankin*
Mr. Ge Jun*

Company Secretary:

Mr. Kwok Wai Cheong, Chris

Registered Office:

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

*Principal Place of Business in
Hong Kong:*

32nd Floor
COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

[#] *Non-executive Director*

* *Independent Non-executive Director*

17 May 2022

To the shareholders

Dear Sir or Madam,

**GENERAL MANDATES
TO REPURCHASE SHARES AND ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED APPOINTMENT OF AUDITORS,
PROPOSED FINAL DIVIDEND,
PROPOSED AMENDMENTS TO THE MEMORANDUM AND
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NOTICE OF ANNUAL GENERAL MEETING**

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LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information regarding, *inter alia*:

- (a) grant of the Share Issue Mandate (as defined below) to issue ordinary shares of HK\$0.10 each in the capital of the Company (the “**Shares**”);
- (b) grant of the Share Repurchase Mandate (as defined below) for repurchase by the Company of the Shares;
- (c) re-election of the relevant retiring directors of the Company (the “**Directors**”) and to authorise the board of directors (the “**Board**”) to fix their remuneration;
- (d) proposed appointment of KPMG as the auditors of the Company and to authorise the Board to fix the remuneration of the auditors for the year ending 31 December 2022;
- (e) the payment of the final dividend for the year ended 31 December 2021; and
- (f) the proposed amendments to the Memorandum and Articles of Association and adoption of the New Memorandum and Articles of Association.

1. General Mandate to Issue Shares

At the last annual general meeting of the Company held on 2 June 2021, a general mandate was granted to the Directors to allot, issue and deal with the Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. An ordinary resolution will be proposed at the Annual General Meeting for the shareholders to consider and, if thought fit, grant respectively, a general and unconditional mandate (the “**Share Issue Mandate**”) to the Directors to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 10% of the issued share capital of the Company on the date of passing the resolution approving the Share Issue Mandate.

As at 12 May 2022, the latest practicable date prior to the printing of this circular (the “**Latest Practicable Date**”), 3,954,421,650 Shares were issued. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be issued pursuant to the Share Issue Mandate will be 395,442,165 Shares.

Details of the Share Issue Mandate are set out in resolution 6 in the Notice of the Annual General Meeting set out on pages 123 to 124 of this circular. The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required to be convened by the articles of association of the Company (the “**Articles**”) or by any applicable law(s); and (c) the date on which the authority is revoked or varied by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”).

LETTER FROM THE BOARD

2. General Mandate to Repurchase Shares

At the last annual general meeting of the Company held on 2 June 2021, a general mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. An ordinary resolution will hence be proposed for the Shareholders to consider and, if thought fit, grant a general and unconditional mandate (the “**Share Repurchase Mandate**”) to the Directors to exercise the power of the Company to repurchase Shares up to 10% of the issued share capital of the Company on the date of passing the resolution approving the Share Repurchase Mandate.

Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate will be 395,442,165 Shares.

An explanatory statement as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) regarding share repurchase, giving certain information in connection with the Share Repurchase Mandate is set out in Appendix I to this circular. The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or by any applicable law(s); and (c) the date on which the authority is revoked or varied by an ordinary resolution of the Shareholders.

3. Re-election of the Directors

Pursuant to article 112 of the existing Articles, Mr. Chen Lang will retire by rotation. Pursuant to article 95 of the existing Articles, Ms. Wang Yan, Mr. Zhang Ping, Mr. Wang Xi, Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun whose appointments became effective on 1 December 2021, will also retire. The abovementioned Directors will, being eligible, offer themselves for re-election at the Annual General Meeting.

The independent non-executive Directors who have offered themselves for re-election at the Annual General Meeting (namely, Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun) were initially referred to the Company as potential candidates, and then appointed as proposed by the Nomination Committee of the Company and after review and approval of the Board. They have each provided an annual confirmation of independence. The Board is of the view that Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

The Board is also of the view that each of Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun would bring to the Board their own perspective, skills and experience, as further described in Appendix II to this circular.

LETTER FROM THE BOARD

With their unique backgrounds, the Board considers that Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun are highly valued and respected members of the Board, and can contribute to the diversity of the Board, in particular, with their strong and diversified educational backgrounds and professional experience in their expertise, including their in-depth knowledge in commercial and general management, legal practice, professional accounting and audit, international experience, investment strategies and connections in various industries.

On the basis of the above, the Board is of the view that the re-election of Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun as independent non-executive Directors is in the interest of the Company and Shareholders as a whole and recommends their re-elections at the Annual General Meeting.

Particulars of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

4. Appointment of Auditors

As disclosed in the announcement of the Company dated 12 May 2022, Ernst & Young will retire as the auditors of the Company upon expiration of its current term of office at the conclusion of the Annual General Meeting.

The Board has resolved, with recommendation from the audit committee of the Company (the “**Audit Committee**”), to propose the appointment of KPMG as the new auditors of the Company following the retirement of Ernst & Young, subject to the approval of the Shareholders at the Annual General Meeting.

Ernst & Young has been the auditors of the Company for more than 10 years and the Board considers the rotation of its auditors after an appropriate period of time as a good corporate governance practice.

An ordinary resolution will be proposed at the Annual General Meeting to appoint KPMG as the external auditors of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting and to authorise the Board to fix its remuneration for the year ending 31 December 2022.

5. Final Dividend

The Board has recommended a final dividend of RMB0.381 per Share to be payable on or around Wednesday, 22 June 2022 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 14 June 2022 subject to approval by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

6. Proposed Amendments to the Memorandum and Articles of Association and Adoption of New Memorandum and Articles of Association

As disclosed in the announcement of the Company dated 12 May 2022, the Board has resolved to put forward to Shareholders for approval a special resolution to amend the existing memorandum and articles of association of the Company (the “**Existing Memorandum and Articles of Association**”) by adopting a new set of memorandum and articles of association (the “**New Memorandum and Articles of Association**”) in substitution for and to the exclusion of the Existing Memorandum and Articles of Association in order to, among other things, (i) bring the Existing Memorandum and Articles of Association in line with amendments made to the applicable laws of the Cayman Islands and the Listing Rules of the Stock Exchange; (ii) modernize and improve certain provisions mainly in relation to the conducting of general meetings; and (iii) incorporate certain housekeeping amendments.

The key proposed amendments in the New Memorandum and Articles of Association are summarized as follows:

1. to expressly provide that every Shareholder present at a general meeting shall have the right to speak;
2. to expressly allow, as may be determined by the Board at its discretion, the use of electronic communication facilities (including video, videoconferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video communication, internet or online conferencing application or telecommunications facilities) for a general meeting so that Shareholders and other participants (including the chairman of a general meeting) may attend and participate by means of such electronic communication facilities, and that a Shareholder’s presence at such general meeting by means of such electronic communication facilities shall be counted towards the quorum;
3. to expressly allow, as may be determined by the Board at its discretion, a general meeting to be held solely by means of electronic communication facilities;
4. to provide that subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily;
5. to provide that the appointment, removal and remuneration of auditors must be approved by an ordinary resolution of the members in general meeting; and
6. to make other amendments to update or clarify provisions where the Board considers appropriate in accordance with or to better align with the wording in the applicable laws of Cayman Islands and the Listing Rules.

The proposed adoption of the New Memorandum and Articles of Association is subject to approval by the Shareholders by way of a special resolution at the Annual General Meeting. In this regard, a special resolution as set out in item 7 of the AGM Notice will be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

The full text of the New Memorandum and Articles of Association shown as a comparison against the Existing Memorandum and Articles of Association is set out in Appendix III in this circular.

7. Annual General Meeting

A notice convening the Annual General Meeting to be held at the Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 11:30 a.m. on Wednesday, 8 June 2022 is set out on pages 121 to 125 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, *inter alia*, the grant of the Share Issue Mandate and the Share Repurchase Mandate, the re-election of the Directors, the appointment of the auditors, the proposed final dividend and the proposed amendment to the Existing Memorandum and Articles of Association and the adoption of the New Memorandum and Articles of Association.

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at general meetings must be taken by poll.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.

8. Recommendation

The Directors believe that the grant of the Share Issue Mandate and the Share Repurchase Mandate, the re-election of the Directors, the appointment of the auditors, the recommendation of the final dividend and the amendment to the Existing Memorandum and Articles of Association and the adoption of the New Memorandum and Articles of Association to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions in relation to the above proposals to be proposed at the Annual General Meeting.

9. Closure of Register of Members

The register of members of the Company will be closed during the following periods:

- (i) from Thursday, 2 June 2022 to Wednesday, 8 June 2022, both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share

LETTER FROM THE BOARD

registrar, 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 Wednesday, 1 June 2022; and

- (ii) on Tuesday, 14 June 2022, for the purpose of ascertaining shareholders’ entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Monday, 13 June 2022.

10. Responsibility Statement

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
Jeffrey, Minfang Lu
Chief Executive Officer

(A) LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

(B) SHAREHOLDERS' APPROVAL

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the directors of the company to make such repurchases.

(C) EXERCISE OF THE SHARE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 3,954,421,650 Shares in issue. Subject to the passing of the ordinary resolution approving the Share Repurchase Mandate and on the basis that no further Shares are issued or no Shares are repurchased prior to the Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 395,442,165 Shares, representing 10% of the issued share capital of the Company as at the date of passing of such resolution.

(D) REASONS FOR THE REPURCHASE OF SHARES

The Directors believe that the Share Repurchase Mandate is in the best interest of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of the Share Repurchase Mandate to give the Company flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

(E) SOURCE OF FUNDS

The Company is empowered by its memorandum and articles of association to purchase Shares. In accordance with the laws of the Cayman Islands and the Company's memorandum and articles of association, Shares may only be redeemed or purchased out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purposes of the redemption or purchase or, if authorised by the Articles and subject to the laws of the Cayman Islands, out of capital. The premium, if any, payable on purchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are purchased or, subject to the statutory test of solvency, out of capital. Under the laws of the Cayman Islands, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

It is possible that, if the Share Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period, there might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2021. However, the Directors do not propose to exercise the Share Repurchase Mandate to the extent that the repurchase would, in the circumstances, have a material adverse effect on the working capital position of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

(F) SHARE PRICES

The monthly highest and lowest prices at which the Shares had traded on the Stock Exchange in the last twelve months up to the Latest Practicable Date were as follows:

	Share Prices (per Share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
April	45.95	41.60
May	47.05	40.15
June	47.80	44.10
July	45.95	41.60
August	46.75	42.25
September	50.25	45.35
October	49.55	45.50
November	49.15	43.50
December	45.70	43.50
2022		
January	48.10	43.50
February	50.75	46.30
March	50.80	40.90
April	43.30	41.65
May (up to and including the Latest Practicable Date)	42.20	38.30

(G) UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to sell any of the Shares held by him to the Company in the event that the Company is authorised to make repurchases of Shares.

(H) THE TAKEOVERS CODE

If, as a result of a repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**"). Accordingly, a Shareholder, or group of Shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the Company or become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any shareholder or group of shareholders acting in concert who will become obliged to make a mandatory offer as a result of a repurchase of the Shares.

(I) SHARES PURCHASED BY THE COMPANY

The Company did not repurchase any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are details of the Directors who will retire at the conclusion of the Annual General Meeting and will be proposed to be re-elected at the Annual General Meeting.

Mr. Chen Lang, Non-Executive Director

Mr. Chen Lang, aged 56, was appointed as a non-executive director and the chairman of the board of directors of the Company in April 2019. Mr. Chen joined COFCO Corporation in April 2019 and is currently an executive vice president of COFCO Corporation, the chairman of COFCO WOMAI.COM Investment Limited (中糧我買網投資有限公司), a non-executive director and the chairman of the board of directors of China Foods Limited (a company listed in Hong Kong) and a director and the chairman of the board of directors of each of COFCO Coca-Cola Beverages Limited and COFCO Coca-Cola Beverages (China) Investment Ltd., both of which are non-wholly owned subsidiaries of China Foods Limited. In the past, Mr. Chen had served as a director and the chairman of the board of directors of China Resources Enterprise, Limited, an executive vice president of China Resources (Holdings) Company Limited, a director of CRH (Beer) Limited, the chairman of China Resources Snow Breweries (China) Investment Co., Ltd., a director of China Resources Company Limited (formerly known as China Resources National Corporation), the chief executive officer of China Resources Vanguard Co., Ltd., the chairman of each of China Resources Ng Fung Limited and China Resources C'estbon Beverage (China) Investment Co., Ltd. and a vice chairman and the chief executive officer of China Resources Logic Limited (now renamed as China Resources Gas Group Limited). Mr. Chen was a vice chairman of the board of directors and a member of strategy committee of Shanxi Xinghuacun Fen Wine Factory Co., Limited (山西杏花村汾酒廠股份有限公司) (a company listed in Shanghai) until June 2019; and an executive director and the chairman of the board of directors of China Resources Beer (Holdings) Company Limited (a company listed in Hong Kong) until July 2019. Mr. Chen holds a Bachelor of Economics degree from Anhui University, China and a Master of Business Administration degree from the University of San Francisco, USA.

Mr. Chen has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Chen is entitled to receive a director's fee of RMB150,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the remuneration committee of the Company (the "**Remuneration Committee**"). During 2021, Mr. Chen agreed to waive his entitlement to director's fee of RMB150,000 for the year.

Save as disclosed above, Mr. Chen has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Chen does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") as at the Latest Practicable Date.

Ms. Wang Yan, Executive Director

Ms. Wang Yan, aged 43, was appointed as an executive director of the Company in December 2021. Ms. Wang Yan, who joined the Group in November 2021, is currently a vice president of the Group. Ms. Wang has previously served various roles including general manager of talent development at the human resources department and deputy director of the human resources department at COFCO Corporation. Ms. Wang holds a master of management degree from the Renmin University of China specialising in human resources management.

Ms. Wang has entered into a letter of appointment with the Company for a term of three years. Her directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Ms. Wang is entitled to receive a director's fee of RMB30,000 per annum. Her emoluments are determined with reference to her duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee. For the financial year ended 31 December 2021, the total amount of Ms. Wang's emoluments is RMB663,000 as disclosed in the 2021 Annual Report. During 2021, Ms. Wang agreed to waive her entitlement to director's fee for the year.

Save as disclosed above, Ms. Wang has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Ms. Wang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and she does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Zhang Ping, Executive Director

Mr. Zhang Ping, aged 57, was appointed as an executive director of the Company in December 2021. Mr. Zhang Ping, who joined the Group in 2014, is currently a vice president and the chief financial officer of the Group. Mr. Zhang Ping is also a director of a number of the Group's subsidiaries, including the Group's major subsidiaries Inner Mongolia Mengniu Dairy (Group) Company Limited and Inner Mongolia Mengniu Danone Dairy Co., Ltd. He has over 31 years of experience in the fast-moving consumer goods industry, specializing in management of operation, finance and audit, as well as risk control. Mr. Zhang Ping worked in Swire Beverages group companies as manager responsible for internal audit and system development, finance director, general manager of bottler manufacturing company and chief executive officer of Coca-Cola Bottlers Manufacturing Holdings Limited. Mr. Zhang Ping is also a non-executive director of Yashili International Holdings Ltd (stock code: 1230), China Modern Dairy Holdings Ltd. (stock code: 1117) and China Shengmu Organic Milk Limited (stock code: 1432) respectively, all being companies listed in Hong Kong, and a non-independent director of Shanghai Milkground Food Tech Company Limited (listed on the Shanghai Stock Exchange, stock code: 600882). Mr. Zhang Ping graduated from the Beijing Information Science and Technology University with a Master's Degree in Management Engineering.

Mr. Zhang has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Zhang is entitled to receive a director's fee of RMB30,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee. For the financial year ended 31 December 2021, the total amount of Mr. Zhang's emoluments is RMB5,353,000 as disclosed in the 2021 Annual Report. During 2021, Mr. Zhang agreed to waive his entitlement to director's fee for the year.

Save as disclosed above, Mr. Zhang has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Zhang is interested in 1,992,613 Shares which included 115,983 restricted shares granted under the restricted share award scheme of the Company and 1,876,630 share options in the Company within the meaning of Part XV of the SFO, representing approximately 0.05% of the total issued share capital of the Company as at the Latest Practicable Date.

Mr. Wang Xi, Non-Executive Director

Mr. Wang Xi, aged 38, was appointed as a non-executive director of the Company in December 2021. Mr. Wang joined COFCO Corporation in July 2015, currently leads the Direct Investment Division of the Strategy Department of COFCO Corporation, and is a director of COFCO WOMAI.COM Investment Limited (中糧我買網投資有限公司). At COFCO Strategy Department, Mr. Wang previously served as assistant general manager of M&A Division, deputy general manager and general manager of Equity Management Division. Prior to joining COFCO, Mr. Wang served as assistant general manager of Direct Investment Division IV at China Development Bank Capital Co., Ltd., and before that an associate at the investment banking division at Deutsche Bank AG, Hong Kong Branch. Mr. Wang holds a bachelor's degree in economics and a dual bachelor's degree in laws from Peking University, and a degree of master of public administration from Columbia University, New York.

Mr. Wang has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Wang is entitled to receive a director's fee of RMB150,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee. During 2021, Mr. Wang agreed to waive his entitlement to director's fee for the year.

Save as disclosed above, Mr. Wang has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Wang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Independent Non-Executive Director

Mr. Yih Dieter (alias Yih Lai Tak, Dieter), aged 59, was appointed as an independent non-executive director of the Company in December 2021. Mr. Yih received his Bachelor of Laws degree from King's College London and he is a Fellow of King's College London. Mr. Yih is admitted to practice law in Hong Kong. He is a partner of the Hong Kong law firm Kwok Yih & Chan, where his practice focuses on corporate finance, capital markets, securities and regulatory compliance. Mr. Yih currently is an independent non-executive director of the Sinochem Energy Co., Ltd. and independent non-executive director of Sun Art Retail Group Limited, a company listed in Hong Kong (stock code: 6808). Mr. Yih was the president of the Law Society of Hong Kong between 2012 and 2013, and holds various public offices and community appointments in Hong Kong. He is currently a member of the Guangdong Province Committee of the Chinese People's Political Consultative Conference. He is also a Justice of the Peace appointed by the Hong Kong Government, chairman of the Financial Dispute Resolution Centre, deputy chairman of council of the Education University of Hong Kong, a member of the Education Commission, a member of the Steering Committee of the Quality Education Fund, a member of the Standing Committee on Legal Education and Training, a non-executive director of the Securities and Futures Commission and a non-executive director of eMPF Platform Company Limited.

Mr. Yih has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Yih is entitled to receive a director's fee of HK\$300,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee.

Save as disclosed above, Mr. Yih has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Yih does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Yih has submitted an annual confirmation of independence in accordance with Rule 3.13 of the Listing Rules to the Company. The Board, therefore, considers Mr. Yih to be independent and believes that he should be re-elected.

Mr. Li Michael Hankin, Independent Non-Executive Director

Mr. Li Michael Hankin, aged 57, was appointed as an independent non-executive director of the Company in December 2021. Mr. Li has more than 30 years of experience in financial and accounting, fundraising, mergers and acquisitions, restructuring and international business development. Mr. Li has since May 2016 served as an independent non-executive director of COFCO Joycome Foods Limited, a company listed in Hong Kong (stock code: 1610) and is currently the chairman of its audit committee. COFCO Corporation has an interest of 29.10% in COFCO Joycome Foods Limited based on its public filings. Mr. Li has also served as an independent non-executive director and the chairman of the audit committee of Clarity Medical Group Holding Limited, a company listed in Hong Kong (stock code: 1406) since March 2019. Mr. Li served as an independent non-executive director of Huiyin Smart Community Co., Ltd., a company listed in Hong Kong (stock code: 1280) from August 2017 to June 2018. Mr. Li worked at several Hong Kong listed companies as head of corporate finance, general manager of investor relations and mergers and acquisitions, including as head of corporate finance of GCL-Poly Energy Holdings Limited (stock code: 3800) during January 2014 to June 2015 and as general manager of investor relations & mergers and acquisitions of Newton Resources Limited (stock code: 1231) in 2013. Mr. Li also worked at several international banks where he had led numerous fund raising exercises in Hong Kong and the United States. During the period from March 1994 to June 2004, Mr. Li was the executive director (corporate finance) at BNP Paribas Capital (Asia Pacific) Limited. During the period from July 2004 to December 2005, Mr. Li was employed at GoldBond Capital (Asia) Limited and was a managing director (investment banking) of Rothschild (Hong Kong) Limited during the period from March 2007 to May 2011. From November 2017 to August 2019, he was the deputy general manager of Shougang Concord Grand (Group) Limited, a company listed in Hong Kong (stock code: 730). Mr. Li obtained a bachelor's degree in accountancy from California State University, Los Angeles in June 1985, and a master's degree in business administration from Columbia University, New York in May 1992. Mr. Li is a member of the American Institute of Certified Public Accountants. For further biographic details of Mr. Li, please refer to the Company's announcement dated 30 November 2021.

Mr. Li has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Li is entitled to receive a director's fee of HK\$300,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee.

Save as disclosed above, Mr. Li has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Li does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Li has submitted an annual confirmation of independence in accordance with Rule 3.13 of the Listing Rules to the Company. The Board, therefore, considers Mr. Li to be independent and believes that he should be re-elected.

Mr. Ge Jun, Independent Non-Executive Director

Mr. Ge Jun, aged 49, was appointed as an independent non-executive director of the Company in December 2021. Mr. Ge had previously served as the assistant engineer of Shanghai Research Institute of Building Research; administrative manager, deputy director of the corporation and public affairs department, director of the President office, secretary general of the foundation and assistant president of the China Europe International Business School; President of the Pudong Innovation Institute; and associate dean of the Shanghai Institute of Advanced Finance at Shanghai Jiaotong University. Mr. Ge is currently an executive director of the National Innovation and Development Strategy Research Association.

Mr. Ge has been an independent director of Huize Holding Ltd. (NASDAQ, stock code: HUIZ) since February 2020. Mr. Ge was an independent director of Focus Media Information Technology Co Ltd. (Shenzhen Stock Exchange, stock code: 002027) from February 2019 to November 2021. Mr. Ge was also an independent director of Meinian Onehealth Healthcare Holdings Co., Ltd. (Shenzhen Stock Exchange, stock code: 002044) from October 2018 to October 2021.

Mr. Ge's areas of academic expertise include corporate governance, corporate stakeholder relations, evaluation of innovation mechanism, responsible business and sustainable development.

Mr. Ge has entered into a letter of appointment with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. Mr. Ge is entitled to receive a director's fee of HK\$300,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Group and prevailing market conditions and reviewed by the Remuneration Committee.

Save as disclosed above, Mr. Ge has not held any directorships in other public companies the securities of which are listed on the Stock Exchange or any securities market overseas in the last three years.

Save as disclosed above, Mr. Ge does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he does not have any interests in the shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Ge has submitted an annual confirmation of independence in accordance with Rule 3.13 of the Listing Rules to the Company. The Board, therefore, considers Mr. Ge to be independent and believes that he should be re-elected.

Each of Mr. Chen Lang, Ms. Wang Yan, Mr. Zhang Ping, Mr. Wang Xi, Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in relation to their re-election and that no other information needs to be disclosed under Rule 13.51(2) of the Listing Rules.

THE COMPANIES LAW (2003 REVISION) ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

CHINA MENGNIU DAIRY COMPANY LIMITED

(adopted by special resolution passed on ~~18 May 2004~~^[●] 2022)

THE COMPANIES LAW (2003 REVISION) ACT (AS REVISED)

OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

CHINA MENGNIU DAIRY COMPANY LIMITED

(adopted by special resolution passed on 18 May 2004[●] 2022)

CAYMAN ISLANDS

The Companies Law (2003 Revision) (Cap. 22) Act (As Revised)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

CHINA MENGNIU DAIRY COMPANY LIMITED

(adopted by special resolution passed on 18 May 2004 [●] 2022)

1. The name of the Company is **China Mengniu Dairy Company Limited**.
2. The Registered Office of the Company shall be at the offices of M&C Maples Corporate Services Limited, PO Box 309GT309, Uglan House, ~~South Church Street, George Town, Grand Cayman~~ KY1-1104, Cayman Islands or at such other place in the Cayman Islands as the Board may from time to time decide.
3. The objects for which the Company is established are unrestricted and shall include, but without limitation, the following:
 - (i) To carry on business as an investment company and as an investment holding company and to acquire and hold shares, stocks, debenture stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature and wherever constituted or carrying on business, and shares, stock, debenture stock, bonds, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, local authority or other public body, and to vary, transpose, dispose of or otherwise deal with from time to time as may be considered expedient any of the Company's investments for the time being.
 - (ii) To subscribe for, conditionally or unconditionally, to underwrite, issue on commission or otherwise, take, hold, deal in and convert stocks, shares and securities of all kinds and to enter into partnership or into any arrangement for sharing profits, reciprocal concessions or cooperation with any person or company and to promote and aid in promoting, to constitute, form or organise any company, joint venture, syndicate or partnership of any kind, for the purpose of acquiring and undertaking any property and liabilities of the Company or of advancing, directly or indirectly, the objects of the Company or for any other purpose which the Company may think expedient.
 - (iii) To exercise and enforce all rights and powers conferred by or incidental to the ownership of any shares, stock, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the

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holding by the Company of some special proportion of the issued or nominal amount thereof, to provide managerial and other executive, supervisory and consultant services for or in relation to any company in which the Company is interested upon such terms as may be thought fit.

(iv) To stand surety for or to guarantee, indemnify, support or secure the performance of all or any of the obligations of any person, firm or company whether or not related or affiliated to the Company in any manner and whether by personal covenant or by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company, both present and future, including its uncalled capital or by any such method and whether or not the Company shall receive valuable consideration therefor.

(v) (a) To carry on the business of promoters and entrepreneurs and to carry on business as financiers, capitalists, concessionaires, merchants, brokers, traders, dealers, agents, importers and exporters and to undertake and carry on and execute all kinds of investment, financial, commercial, mercantile, trading and other operations.

(b) To carry on whether as principals, agents or otherwise howsoever the business of realtors, developers, consultants, estate agents or managers, builders, contractors, engineers, manufacturers, dealers in or vendors of all types of property including the provision of any services.

(vi) To purchase or otherwise acquire, to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with real and personal property and rights of all kinds and, in particular, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, bonds, policies, book debts, business concerns, undertakings, claims, privileges and choses in action of all kinds.

(vii) To engage in or carry on any other lawful trade, business or enterprise which may at any time appear to the Directors capable of being conveniently carried on in conjunction with any of the aforementioned businesses or activities or which may appear to the Directors likely to be profitable to the Company.

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

4. Except as prohibited or limited by the Companies Law ~~(2003 Revision Act (As Revised))~~, the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law ~~(2003 Revision Act (As Revised))~~ and shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate, irrespective of any question of corporate benefit, in doing in any part of the world whether as principal, agent, contractor or otherwise whatever may be considered by it necessary for the attainment of its objects and whatever

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else may be considered by it as incidental or conducive thereto or consequential thereon, including, but without in any way restricting the generality of the foregoing, the power to make any alterations or amendments to this Memorandum of Association and the Articles of Association of the Company considered necessary or convenient in the manner set out in the Articles of Association of the Company, and the power to do any of the following acts or things, viz: to pay all expenses of and incidental to the promotion, formation and incorporation of the Company; to register the Company to do business in any other jurisdiction; to sell, lease or dispose of any property of the Company; to draw, make, accept, endorse, discount, execute and issue promissory notes, debentures, debenture stock, loans, loan stock, loan notes, bonds, convertible bonds, bills of exchange, bills of lading, warrants and other negotiable or transferable instruments; to lend money or other assets and to act as guarantors; to borrow or raise money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the Directors determine; to promote other companies; to sell the undertaking of the Company for cash or any other consideration; to distribute assets in specie to members of the Company; to contract with persons for the provision of advice, the management and custody of the Company's assets, the listing of the Company's shares and its administration; to make charitable or benevolent donations; to pay pensions or gratuities or provide other benefits in cash or kind to Directors, officers, employees, past or present and their families; to purchase Directors and officers liability insurance; to carry on any trade or business and generally to do all acts and things which, in the opinion of the Company or the Directors, may be conveniently or profitably or usefully acquired and dealt with, carried on, executed or done by the Company in connection with the business aforesaid PROVIDED THAT the Company shall only carry on the businesses for which a licence is required under the laws of the Cayman Islands when so licensed under the terms of such laws.

5. The liability of each member is limited to the amount from time to time unpaid on such member's shares.

6. The share capital of the Company is HK\$600,000,000 divided into 6,000,000,000 shares of a nominal or par value of HK\$0.10 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law (2003 Revision Act (As Revised)) and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.

7. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 193~~174~~ of the Companies Law (2003 Revision Act (As Revised)) and, subject to the provisions of the Companies Law (2003 Revision Act (As Revised)) and the Articles of Association, it shall have the power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

THE COMPANIES LAW (2003 REVISION) ACT (AS REVISED)

OF THE CAYMAN ISLANDS

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CHINA MENGNIU DAIRY COMPANY LIMITED

(adopted by special resolution passed on 18 May 2004~~[●]~~ 2022)

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CAYMAN ISLANDS

The Companies Law (2003 Revision) (Cap. 22) Act (As Revised)

Company Limited by Shares

ARTICLES OF ASSOCIATION

OF

CHINA MENGNIU DAIRY COMPANY LIMITED

(adopted by special resolution passed on 18 May 2004[●] 2022)

Table A

Exclusion of Table A 1. The regulations contained in Table A in the First Schedule to the Companies Law Act shall not apply to the Company.

Interpretation

Interpretation 2. The marginal notes to these Articles shall not affect the interpretation hereof. In these Articles, unless there be something in the subject or context inconsistent therewith:

these Articles "these Articles" shall mean the present Articles of Association and all supplementary, amended or substituted Articles for the time being in force;

Associates "Associates" shall mean, in relation to any Director: have the meaning given to it in the Listing Rules;

- (i) his spouse and any of his or his spouse's children or step-children, natural or adopted, under the age of 18 ("family interests"); and
- (ii) the trustees, acting in their capacity as such trustees, of any trust of which he or any of his family interests is a beneficiary or, in the case of a discretionary trust, is (to his knowledge) a discretionary object and any company (a "trustee-

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- controlled company") in the equity capital of which the trustees, acting in their capacity as such trustees, are directly or indirectly interested so as to exercise 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any other company which is its subsidiary (together, the "trustee interests");
- (iii) a holding company of a trustee-controlled company or a subsidiary of any such holding company;
- (iv) any company in the equity capital of which he, his family interests, any of the trustees referred to in paragraph (ii) above, acting in their capacity as such trustees, and/or any trustee interests taken together are directly or indirectly interested (other than through their respective interests in the capital of the Company) so as to exercise or control the exercise of 30 per cent. (or such other amount as may from time to time be specified in the HK Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board and any other company which is its subsidiary or holding company or a fellow subsidiary of any such holding company; and
- (v) any other persons who would be deemed as an "Associate" under the Listing Rules;

Auditors

"Auditors" shall mean the persons appointed by the Company from time to time to perform the duties of auditors of the Company;

black rainstorm warning

"black rainstorm warning" shall have the meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong) as in force from time to time;

Board

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

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present;

capital	"capital" shall mean the share capital from time to time of the Company;
the Chairman	"the Chairman" shall mean the Chairman presiding at any meeting of members or of the Board;
<u>Close Associates</u>	<u>"Close Associates" shall have the meaning given to it in the Listing Rules;</u>
<u>Communication Facilities</u>	<u>"Communication Facilities" shall mean video, video-conferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video communication, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other;</u>
the Companies <u>LawAct</u>/the <u>LawAct</u>	"the Companies <u>LawAct</u> " or "the <u>LawAct</u> " shall mean the Companies <u>Law</u> (2003 Revision), <u>Cap. 22Act (As Revised)</u> of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
the Companies Ordinance	"the Companies Ordinance" shall mean the Companies Ordinance (Cap. 32 <u>622</u> of the Laws of Hong Kong) as in force from time to time;
the Company	"the Company" or "this Company" shall mean China Mengniu Dairy Company Limited;
the Company's Website	"the Company's Website" shall mean the website of the Company, the address or domain name of which has been notified to members;
Directors	"Directors" shall mean the directors from time to time of the Company;
dividend	"dividend" shall include bonus dividends and distributions permitted by the <u>LawAct</u> to be categorised as dividends;

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dollars/HK\$	"dollars" and "HK\$" shall mean dollars legally current in Hong Kong;
electronic	"electronic" shall have the meaning given to it in the Electronic Transactions Law 2000 of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in the force and includes every other law incorporated therewith or substituted there; <u>Act</u> ;
Electronic Signature	"Electronic Signature" means electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;
<u>Electronic Transactions Act</u>	<u>"Electronic Transactions Act" shall mean the Electronic Transactions Act (As Revised) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in the force and includes every other law incorporated therewith or substituted there;</u>
Exchange	"Exchange" shall mean The Stock Exchange of Hong Kong Limited;
HK Code on Takeovers and Mergers <u>gale warning</u>	"HK Code on Takeovers and Mergers" shall mean the Code on Takeovers and Mergers issued by the Securities and Futures Commission <u>"gale warning" shall have the meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong) as amended</u> <u>in force</u> from time to time;
Hong Kong	"Hong Kong" shall mean the Hong Kong Special Administrative Region of the People's Republic of China and its dependencies;
Listing Rules	"Listing Rules" shall mean the Rules Governing the Listing of Securities on the Exchange as amended from time to time;
month	"month" shall mean a calendar month;
Nomination Committee	"Nomination Committee" means the committee appointed pursuant to Article 94A of the Articles of Association and acting in accordance to these Articles of Association;

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**ordinary
resolution**

"ordinary resolution" shall mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting held in accordance with these Articles and includes an ordinary resolution passed pursuant to Article 80;

Person

"Person" shall mean any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;

Present

"Present" shall mean, in respect of any Person, such Person's presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:

- (a) physically present at the meeting; or
- (b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, connected by means of the use of such Communication Facilities;

**principal
register**

"principal register" shall mean the register of members of the Company maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time;

**published in
the newspapers**

"published in the newspapers" means published as a paid advertisement in English in at least one English language newspaper and in Chinese in at least one Chinese language newspaper, being in each case a newspaper published daily and circulating generally in Hong Kong in accordance with the Listing Rules;

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<u>published on the Exchange's website</u>	<u>"published on the Exchange's website" shall mean published in English and Chinese on the Exchange's website in accordance with the Listing Rules;</u>
recognized clearing house	"recognized clearing house" shall have the meaning ascribed thereto in Part I of Schedule 1 of the Securities and Futures Ordinance (<u>Cap. 571 of the Laws of Hong Kong</u>) and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
the register	"the register" shall mean the principal register and any branch registers;
seal	"seal" shall include the common seal of the Company, the securities seal or any duplicate seal adopted by the Company pursuant to Article 133;
Secretary	"Secretary" shall mean the person appointed as company secretary by the Board from time to time;
share	"share" shall mean a share in the capital of the Company;
shareholders/ members	"shareholders" or "members" shall mean the persons who are duly registered as the holders from time to time of shares in the register including persons who are jointly so registered;
special resolution App 13 Part B r.1	"special resolution" shall have the same meaning as ascribed thereto in the Law and shall include a unanimous written resolution of all members; Act and and for this purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution passed pursuant to Article 80;
subsidiary and holding company	"subsidiary" and "holding company" shall have the meanings attributed to such terms in the Companies Ordinance, but interpreting the term "subsidiary" in

- 7 -

accordance with the definition of "subsidiary" under the Listing Rules;

transfer office

"transfer office" shall mean the place where the principal register is ~~situates~~situated for the time being;

Virtual Meeting

"Virtual Meeting" shall mean any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairman of such meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities;

words in LawAct to bear same meaning in Articles

subject as aforesaid, any words defined in the LawAct shall, if not inconsistent with the subject and/or context, bear the same meanings in these Articles;

writing/printing

"writing" or "printing" shall include writing, printing, lithograph, photograph, type-writing and every other mode of representing or reproducing words or figures in a legible and non-transitory form and, ~~only where used in connection with a notice served by the Company on members or other persons entitled to receive notices hereunder,~~ shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference to the extent permitted by and in accordance with the Act, the Listing Rules and all other applicable laws, rules and regulations;

gender

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

**persons/
companies**

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

**singular and
plural**

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

2A. Sections 8 and 19(3) of the Electronic Transactions Act shall not apply.

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Share Capital and Modification of Rights

- | | |
|---|--|
| Capital
App 3
r.9 | 3. The capital of the Company at the date of the adoption of these Articles is HK\$600,000,000 divided into 6,000,000,000 shares of HK\$0.10 each. |
| Issue of shares
App 3
r.6(1) | 4. Subject to the provisions of these Articles and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Board may determine. Subject to the Law <u>Act</u> and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof is, liable to be redeemed. No shares shall be issued to bearer. |
| Issue of warrants
App 3
r.2(2) | 5. Subject to the Listing Rules, the Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine. No warrants shall be issued to bearer for so long as a recognized clearing house (in its capacity as such) is a member of the Company. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant. |
| How class rights may be modified
App 3
r.6(2)
15App 13
Part B
r.2(1) | 6. (a) If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Law <u>Act</u> , be varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal |

- 9 -

value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class. To every such separate meeting all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class, ~~and that any holder of shares of the class present in person or by proxy may demand a poll.~~

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

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

7. Subject to the ~~Law Act, or~~ and any other law ~~or~~ and so far as not prohibited by any law and subject to any rights conferred on the holders of any class of shares, the Company shall have the power to purchase or otherwise acquire ~~all or any~~ of its own shares (which expression as used in this Article includes redeemable shares) provided that the manner of purchase has first been authorised by a resolution of the shareholders, and to purchase or otherwise acquire warrants for the subscription or purchase of its own shares, and shares and warrants for the subscription or purchase of any shares in any company which is its holding company and may make payment therefor in any manner authorised or not prohibited by law, including out of capital, or to give, directly or indirectly, by means of a loan, a guarantee, a gift, an indemnity, the provision of security or otherwise howsoever, financial assistance for the purpose of or in connection with a purchase or other acquisition made or to be made by any person of any shares or warrants in the Company or any company which is a holding company of the Company and should the Company purchase or otherwise acquire its own

- 10 -

shares or warrants neither the Company nor the Board shall be required to select the shares or warrants to be purchased or otherwise acquired rateably or in any other manner as between the holders of shares or warrants of the same class or as between them and the holders of shares or warrants of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares provided always that any such purchase or other acquisition or financial assistance shall only be made in accordance with any relevant code, rules or regulations issued by the Exchange or the Securities and Futures Commission of Hong Kong from time to time in force.

- | | |
|---|---|
| <u>Surrender</u> of
<u>shares</u> | 7A. <u>The Board may accept the surrender for no consideration of any fully paid share.</u> |
| Power to increase capital | 8. The Company in general meeting may, from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe. |
| Redemption | 9. (a) Subject to the provisions of the Law Act and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holders are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit. |
| App 3
r.8(1) & (2) | (b) Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all shareholders alike. |
| Purchase or redemption not to give rise to | 10. (a) The purchase or redemption of any share shall not be deemed to give rise to the purchase or redemption of any other share. |

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**other purchases
or redemptions**

**Certificates to be
surrendered for
cancellation**

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

**Shares at the
disposal of
the Board**

11. Subject to the provisions of the LawAct, of the Memorandum of Association of the Company, and of these Articles relating to new shares, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Board shall determine.

**Company may
pay commissions**

12. The Company may, unless prohibited by law, at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that the conditions and requirements of the LawAct shall be observed and complied with, and in each case the commission shall not exceed 10 per cent. of the price at which the shares are issued.

**Company not to
recognise trusts
in respect of
shares**

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

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Register of Members and Share Certificates

Share register
App 3
r.1(1)

14. (a) The Board shall cause to be kept at such place within or outside the Cayman Islands as it deems fit a principal register of the members and there shall be entered therein the particulars of the members and the shares issued to each of them and other particulars required under the ~~Law~~Act.
- (b) If the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Board thinks fit. The principal register and the branch register(s) shall together be treated as the register for the purposes of these Articles.
- (c) The Board may, in its absolute discretion, at any time transfer any share ~~upon~~ the principal register to any branch register or any share on any branch register to the principal register or any other branch register.
- (d) Notwithstanding anything contained in this Article, the Company shall as soon as practicable and on a regular basis record in the principal register all transfers of shares effected on any branch register and shall at all times maintain the principal register in such manner as to show at all times the members for the time being and the shares respectively held by them, in all respects in accordance with the Companies ~~Law~~Act.

14A. For so long as any shares are listed on the Exchange, title to such listed shares may be evidenced and transferred in accordance with the Listing Rules that are or shall be applicable in relation to such listed shares. The register of members maintained by the Company in respect of such listed shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the Companies Act in a form otherwise

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than legible (provided it is capable of being reproduced in a legible form) if such recording otherwise complies with the Listing Rules that are or shall be applicable in relation to such listed shares.

App 13-3
Part B
r.3(2)20

15. (a) Except when a register is closed and, if applicable, subject to the additional provisions of paragraph (d) of this Article, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge.
- (b) The reference to business hours in paragraph (a) of this Article is subject to such reasonable restrictions as the Company in general meeting may impose, but so that not less than two hours in each business day is to be allowed for inspections.
- (c) The register may, on 14 days' notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of this Article with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed.

App 13
Part B
r.3(2)

- (d) Any register held in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Board may impose) be open to inspection by a member without charge and any other person on payment of such fee not exceeding

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HK\$2.50 (or such higher amount as may from time to time be permitted under the Listing Rules) as the Board may determine for each inspection. Any member may require a copy of the register, or any part thereof, on payment of HK\$0.25, or such lesser sum as the Company may prescribe, for every 100 words or fractional part thereof required to be copied. The Company shall cause any copy so required by any person to be sent to that person within a period of 10 days commencing on the date next after the day on which the request is received by the Company.

Share certificates

App 3

r.1(1)

16. Every person whose name is entered as a member in the register shall be entitled without payment to receive, within the relevant time limit as prescribed in the LawAct or as the Exchange may from time to time determine, whichever is shorter, after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide), one certificate for all his shares of each class or, if he shall so request, in a case where the allotment or transfer is of a number of shares in excess of the number for the time being forming an Exchange board lot, upon payment, in the case of a transfer, of a sum equal to the relevant maximum amount as the Exchange may from time to time determine for every certificate after the first or such lesser sum as the Board shall from time to time determine, such numbers of certificates for shares in Exchange board lots or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders. All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register.

**Share certificates
to be sealed**

App 3

r.2(1)

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

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**Every certificate
to specify number
and class of shares**

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

Joint holders

App 3

r.1(3)

19. The Company shall not be bound to register more than four persons as joint holders of any share. If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the share.

**Replacement of
share certificates**

App 3

r.1(1)

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

Lien**Company's lien**

App 3

r.1(2)

21. The Company shall have a first and paramount lien on every share (not being a fully paid up share) for all ~~moneys~~monies, whether presently payable or not, called or payable at a fixed time in respect of such share; and the Company shall also have a first and paramount lien and charge on all shares (other than fully paid up shares) standing registered in the name of a member (whether solely or jointly with others) for all the debts and liabilities of such member or his estate to the Company and whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint

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debts or liabilities of such member or his estate and any other person, whether such person is a member of the Company or not.

Lien extends to dividends and bonuses

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

Sale of shares subject to lien

22. The Company may sell in such manner as the Board thinks fit any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person, of which the Company has notice, entitled to the shares by reason of such holder's death, mental disorder or bankruptcy.

Application or proceeds of such sale

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

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Calls on Shares

- | | |
|---|--|
| Calls, how made | 24. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. A call may be revoked or postponed as the Board may determine. |
| Notice of call | 25. At least 14 days' notice of any call shall be given to each member specifying the time and place of payment and to whom such payment shall be made. |
| Copy of notice to be sent | 26. A copy of the notice referred to in Article 25 shall be sent in the manner in which notices may be sent to members by the Company as herein provided. |
| Every member liable to pay call at appointed time and place | 27. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall specify. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made. |
| Notice of call may be published in newspapers or given by electronic means | 28. In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published in the newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided. |
| When call deemed to have been made | 29. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. |
| Liability of joint holders | 30. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments |

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due in respect of such share or other ~~moneys~~monies due in respect thereof.

**Board may
extend time fixed
for call**

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

Interest on calls

32. If the sum or any instalment payable in respect of any call is unpaid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 15 per cent. per annum as the Board shall determine from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.

**Suspension of
privileges
while call
in arrears**

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

**Evidence in
action for call**

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

Sums payable on

35. Any sum which by the terms of allotment of a share is

- 19 -

**allotment/in
future deemed a
call**

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

**Payment of calls
in advance**

App 3
r.3(1)

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

Transfer of Shares

Form of transfer

37. Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Board may approve, which is consistent with the standard form of transfer as prescribed by the Exchange and approved by the Board. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.

Execution

38. The instrument of transfer shall be executed by or on behalf of the transferor and by or on behalf of the transferee PROVIDED that the Board may dispense with the execution of the instrument of transfer by the transferee in

- 20 -

any case which it thinks fit in its discretion to do so. The instrument of transfer of any share shall be in writing and shall be executed with a manual signature or facsimile signature (which may be machine imprinted or otherwise) by or on behalf of the transferor and transferee PROVIDED that in the case of execution by facsimile signature by or on behalf of a transferor or transferee, the Board shall have previously been provided with a list of specimen signatures of the authorised signatories of such transferor or transferee and the Board shall be reasonably satisfied that such facsimile signature corresponds to one of those specimen signatures. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register in respect thereof.

38A. Notwithstanding Article 37 and 38, transfers of shares which are listed on the Exchange may be effected by any method of transferring or dealing in securities permitted by the Listing Rules and which has been approved by the Board for such purpose.

Board may refuse to register a transfer

App 3
r.1(2)

39. The Board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien.

Notice of refusal

40. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

Requirements as to transfer

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

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

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- (b) the instrument of transfer is in respect of only one class of shares; and
- (c) the instrument of transfer is properly stamped (in circumstances where stamping is required); and
- (d) in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four; and
- (e) the shares concerned are free of any lien in favour of the Company; and
- (f) a fee of such maximum as the Exchange may from time to time determine to be payable (or such lesser sum as the Board may from time to time require) is paid to the Company in respect thereof.

App 3
r.1(1)

No transfer to an infant etc

42. No transfer shall be made to an infant or to a person in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs or under other legal disability.

Certificate to be given up on transfer

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

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

44. The registration of transfers may, on 14 days' notice being given by advertisement published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, be suspended and the register closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided always that such registration shall not be

suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

Transmission of Shares

Death of registered holder or of joint holder of shares

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

Registration of personal representatives and trustee in bankruptcy

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

Notice of election to be registered/ Registration of nominee

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

Retention of dividends, etc., until transfer or transmission of

48. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder

shares of a deceased or bankrupt member

of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 82 being met, such a person may vote at meetings.

Forfeiture of Shares

If call or instalment not paid notice may be given

49. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 33, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.

Form of notice

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

If notice not complied with shares may be forfeited

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

Forfeited shares to be deemed property of Company

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

disposition the forfeiture may be cancelled by the Board on such terms as it thinks fit.

Arrears to be paid notwithstanding forfeiture

53. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all ~~moneys~~moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 15 per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares forfeited, at the date of forfeiture. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived, be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

Evidence of forfeiture

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

Notice after

55. When any share shall have been forfeited, notice of the

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- forfeiture** forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register. Notwithstanding the above, no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice as aforesaid.
- Power to redeem forfeited shares** 56. Notwithstanding any such forfeiture as aforesaid, the Board may at any time, before any share so forfeited shall have been re-allotted, sold, or otherwise disposed of, permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
- Forfeiture not to prejudice Company's right to call or instalment** 57. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
- Forfeiture for non-payment of any sum due on shares** 58. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

59. (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 and division into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be
- Consolidation and division of capital and sub-division and cancellation of shares**

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consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

- (ii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the LawAct; and
- (iii) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association of the Company, subject nevertheless to the provisions of the LawAct, 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.

Reduction of

- (b) The Company may by special resolution reduce its

capital share capital, any capital redemption reserve or any share premium account in any manner authorised and subject to any conditions prescribed by the LawAct.

Borrowing Powers

Power to borrow 60. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

Conditions on which money may be borrowed 61. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and, in particular, by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debts, liability or obligations of the Company or of any third party.

Assignment 62. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Special privileges 63. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

Register of charges to be kept 64. (a) The Board shall cause a proper register to be kept, in accordance with the provisions of the LawAct, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the LawAct in regard to the registration of mortgages and charges therein specified and otherwise.

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**Register of
debentures or
debenture stock**

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

**Mortgage of
uncalled capital**

65. 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.

General Meetings**When annual
general meeting
to be held**

App 133
Part B
r.3(3)
r.414(21)

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

**Extraordinary
general meeting**

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

**Convening of
extraordinary
general meeting**

App 3
r.14(5)

68. The Board may, whenever it thinks fit, convene an extraordinary general meeting. ~~General~~Extraordinary general meetings shall also be convened on the written requisition of any ~~two~~one or more members of the Company holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong

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

68A. The Board may make Communication Facilities available for a specific general meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meeting by means of such Communication Facilities. Without limiting the generality of the foregoing, the Board may determine that any general meeting (including but not limited to any adjourned meeting or postponed meeting) may be held as a Virtual Meeting, in which case, any reference to a place of the general meeting in these Articles shall be construed as a reference to the Communication Facilities.

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Notice of
meetings
App 133
Part B
r.314(12)

69. (a) An annual general meeting and any extraordinary general meeting called for the passing of a special resolution shall be called by not less than 21 days' notice in writing and any other extraordinary general meeting shall be called by not less than 14 days' notice in writing. The notice shall be inclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in Article 71) the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. The notice of any general meeting (including a postponed or reconvened meeting held pursuant to Article 70C) at which Communication Facilities will be utilized (including any Virtual Meeting) shall disclose the Communication Facilities that will be utilized, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilize such Communication Facilities for the purpose of attending, participating and voting at such meeting. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
- (b) Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in paragraph (a) hereof, it shall be deemed to have been duly called if it is so agreed:
- (i) in the case of a meeting called as an annual general meeting, by all the members of the Company entitled to attend and vote thereat or their proxies; and

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- (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 95 per cent. in nominal value of the shares giving that right.
- (c) There shall appear with reasonable prominence in every notice of general meetings of the Company a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- Omission to give notice/instrument of proxy**
70. (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.
- 70A. If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place or using the Communication Facilities (if applicable) specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and/or place and /or change the Communication Facilities and/or change the meeting into a Virtual Meeting (or vice versa) in accordance with Article 70C.
- 70B. The Board shall also have the power to provide in every

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notice calling a general meeting that in the event of a gale warning or a black rainstorm warning (or the equivalent in the location of the relevant meeting) is in force at any time on the day of the general meeting (unless such warning has been cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date in accordance with Article 70C.

70C. Where a general meeting is postponed in accordance with Article 70A or 70B:

- (a) the Company shall endeavor to cause a notice of such postponement, which shall set out the reason for the postponement, to be placed on the Company's Website and published on the Exchange's website as soon as practicable in accordance with the Listing Rules, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting pursuant to Article 70B;
- (b) the Board shall fix the date, time, place and Communication Facilities (if applicable) for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting by one of the means specified in Article 163(a); and such notice shall specify the date, time, place and Communication Facilities (if applicable) at which the postponed meeting will be reconvened, and the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and
- (c) only the business set out in the notice of the original meeting shall be transacted at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be transacted at the reconvened meeting, nor shall any

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accompanying documents be required to be recirculated. Where any new business is to be transacted at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with Article 69(a).

Proceedings at General Meetings

Special business

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

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

Special business

71. [intentionally omitted]

Quorum

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

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

73. If within 15 minutes from the time appointed for the meeting a quorum is not ~~present~~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 and using such Communication Facilities (if applicable) as shall be decided by the Board, and if at such adjourned meeting a quorum is not ~~present~~Present within 15 minutes from the time appointed for holding the meeting, the member or members ~~present in person (or in the case of a corporation, by its duly authorised representative) or by proxy~~Present shall be a quorum and may transact the business for which the meeting was called.

Chairman of general meeting

74. The Chairman shall take the chair at every general meeting, or, if there be no such Chairman or, if at any general meeting such Chairman shall not be ~~present~~Present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors ~~present~~Present shall choose another Director as Chairman, and if no Director be ~~present~~Present, or if all the Directors ~~present~~Present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members ~~present~~Present shall choose one of their own number to be Chairman.

74A. The Chairman of any general meeting shall be entitled to attend and participate at such general meeting by means of Communication Facilities, and to act as the Chairman, in which event:

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- (a) the Chairman shall be deemed to be Present at the meeting; and
- (b) if the Communication Facilities are interrupted or fail for any reason to enable the Chairman to hear and be heard by all other Persons attending and participating at the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as Chairman of the meeting for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or (ii) if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place and Communication Facilities (if applicable) as shall be decided by the Board.

**Power to adjourn
general
meeting/business
of adjourned
meeting**

75. The Chairman may, with the consent of any general meeting at which a quorum is ~~present~~Present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place and Communication Facilities (if applicable), the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

**Right to demand
a poll and what
is to be evidence
of the passing of
a resolution
where Must vote**

76. At any general meeting a resolution put to the vote of the meeting shall be decided on a ~~show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded or otherwise required~~poll save that the Chairman may, in good faith, allow a resolution which

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**by poll not
demanded**

relates purely to a procedural or administrative matter as prescribed under the Listing Rules.—A poll may to be demanded voted on by: a show of hands.

App 13
Part B
r.2(3)

- (a) ~~the Chairman of the meeting; or~~
- (b) ~~at least five members present in person or by proxy and entitled to vote; or~~
- (c) ~~any member or members present in person or in the case of a corporation, by its duly authorised representative or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or~~
- (d) ~~any member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.~~

~~Unless a poll is so required or demanded and, in the latter case, 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 Company's book containing the minutes of proceedings of meetings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.~~

Poll

77. (a) ~~If a~~ poll is demanded as aforesaid, it shall (subject as provided in Article 78) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting or postponed meeting at which the poll was ~~demanded~~ taken as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was

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~~demanded. The demand for a poll may be withdrawn, with the consent of the Chairman, at any time before the close of the meeting at which the poll was demanded or the taking of the poll, whichever is earlier.~~taken.

**Business may
proceed
notwithstanding
demand for poll**

(b) ~~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.~~

**In what case poll
taken without
adjournment**

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

78A. Where a resolution is voted on by a show of hands as permitted under the Listing Rules, a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

**Chairman to have
casting vote**

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

**Written
resolutions**

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

Votes of Members

Votes of members
App 3
r.14(3)

App 3
r.14(4)

- 81. (a) Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting (i) every member Present shall have the right to speak, (ii) on a show of hands, every member who is present in person (or, in the case of a member being a corporation by its duly authorised representative) Present shall have one vote, and (iii) on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy Present shall have one vote for each share registered in his name in the register. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a member which is a recognized clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way.
- (b) Where any member is, under the Listing Rules, required to abstain from voting ~~for or against~~ on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Votes in respect of deceased and bankrupt members

- 82. Any person entitled under Article 46 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 or postponed meeting (as the case may be) at which he ~~proposed~~proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Votes of joint

- 83. Where there are joint registered holders of any share, any

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holders

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~~Present at any meeting ~~personally or by proxy~~, that one of the said persons so ~~present~~Present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

**Votes of member
of unsound mind**

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

**Qualification for
voting**

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

**Objections to
voting**

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

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determination shall be final and conclusive.

Proxies
App 133
~~Part B~~
r.2(2)18

86. Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. ~~On a poll votes~~ Votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

Instrument appointing proxy to be in writing
App 3
r.11(2)

87. 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 its seal or under the hand of an officer, attorney or other person duly authorised to sign the same. The instrument may be signed by means of facsimile or by Electronic Signature.

Delivery of authority for appointment of proxy

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

appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. If any document or information required to be sent to the Company is sent to the Company by electronic means under this Articles, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company.

Form of proxy
App 3
r.11(1)

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

Authority under instrument appointing proxy

90. The instrument appointing a proxy to vote at a general meeting shall: (a) 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 (b) unless the contrary is stated therein, be valid as well for any adjournment or postponement of the meeting as for the meeting to which it relates, provided that the meeting was originally held within 12 months from such date.

When vote by proxy/ representative valid though authority revoked

91. A vote given in accordance with the terms of an instrument of proxy or resolution of a member shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy or resolution of a member was executed or revocation of the relevant resolution or the transfer of the share in respect of which the proxy was given, provided that no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at its registered office, or at such other place as is referred to in Article 88,

at least two hours before the commencement of the meeting or adjourned meeting or postponed meeting at which the proxy is used.

**Corporations/
clearing houses
acting by
representatives at
meetings**
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Part B
r.2(2)18

92. (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 members of any class of shares 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 and where a corporation is so represented, it shall be treated as being ~~present~~Present at any meeting in person.

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Part B
r.619

(b) If a recognized clearing house (or its nominee(s)) is a member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company ~~or,~~ at any general meeting of any class of members of the Company or at any creditors meeting of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognized clearing house (or its nominee(s)) which he represents as that recognized clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company holding the number and class of shares specified in such authorisation, including the right to speak and to vote ~~individually on a show of hands~~, notwithstanding any contrary provision contained in these Articles.

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Registered Office**Registered office**

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

Board of Directors**Constitution**

94. The number of Directors shall not be less than five.
- 94A. The Nomination Committee shall be appointed by the Board for the purpose of nominating individuals for election as a Director by evaluating the individual's experience, qualifications and suitability as a Director.

The Nomination Committee shall be comprised of not less than three members of the Board, one of which must also be the Chairman of the Board from time to time who will also be appointed as a chairman of the Nomination Committee. The Nomination Committee shall comprise a majority of independent non-executive Directors. Each member of the Nomination Committee shall have one vote and not less than 2 members shall be a quorum. Decisions of the Nomination Committee will be made by a majority of votes and in case of an equality of votes the Chairman shall have the second or casting vote. If a member of the Nomination Committee ceases to be Director of the Company, then he or she will cease to be a member of the Nomination Committee.

**Board may fill
vacancies/appoint
additional
Directors**

App 3
r.4(2)

95. The Board shall have power from time to time and at any time to appoint any person so nominated by the Nomination Committee as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the ~~next following general meeting of the Company (in case of filling a casual vacancy) or until the next following~~first annual general meeting of the Company ~~(in the case of an addition to the existing Board), after his appointment~~ and shall then be eligible for re-election at that meeting, provided that any Director who so retires at an annual general meeting of the Company shall not be taken into account in determining

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the number of Directors who are to retire at such meeting by rotation pursuant to Article 112. Director being re-elected need not have been nominated by the Nomination Committee if they are retiring due to rotation pursuant to Article 112 and are being nominated for re-election at a general meeting.

**Alternate
Directors**

96. (a) A Director may at any time by notice in writing delivered to the registered office of the Company, the principal office of the Company in Hong Kong or at a meeting of the Board, appoint any person (including another Director) to be his alternate Director in his place during his absence and may in like manner at any time determine such appointment. Such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved, provided that the Board may not withhold approval of any such appointment where the proposed appointee is a Director.
- (b) The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director.
- (c) An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent

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from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate shall in the absence of actual notice to the contrary to other Directors be conclusive), his signature (including by Electronic Signature) to any resolution in writing of the Directors shall be as effective as the signature (including by Electronic Signature) of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

- (d) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.
- (e) In addition to the foregoing provisions of this Article, a Director may be represented at any meeting of the Board (or of any committee of the Board) by a proxy appointed by him, in which event the presence or vote of the proxy shall for all purposes be deemed to be that of the Director. A proxy need not himself be a Director and the provisions of Articles 86 to 91 shall apply *mutatis mutandis* to the appointment of proxies by Directors save that an instrument appointing a proxy shall not become invalid after the expiration of twelve months from its date of execution but shall remain valid for such period as the instrument

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shall provide or, if no such provision is made in the instrument, until revoked in writing and save also that a Director may appoint any number of proxies although only one such proxy may attend in his stead at meetings of the Board (or of any committee of the Board).

**Qualification of
Directors**

97. A Director need not hold any qualification shares. No Director shall be required to vacate office or be ineligible for re-election or re-appointment as a Director and no person shall be ineligible for appointment as a Director by reason only of his having attained any particular age.

**Directors'
remuneration**

98. (a) The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting or by the Board, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

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Part B
r.5(4)

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

**Directors'
expenses**

99. The Directors shall be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in

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or in connection with the performance of their duties as Directors including their expenses of travelling to and from Board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

Special remuneration

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

Remuneration of Managing Directors, etc.

101. The remuneration of an Executive Director (as appointed according to Article 104) or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Board and may be by way of salary, commission, or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

When office of Director to be vacated

102. The office of a Director shall be vacated:
- (i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;
 - (ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
 - (iii) if, without leave, he is absent from meetings of the Board (unless an alternate Director appointed by him attends in his place) for a continuous period of 12 months, and the Board resolves that his office be vacated;

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- (iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provisions in these Articles;
- (vi) if he shall be removed from office by notice in writing served upon him signed (including by Electronic Signature) by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office; or
- (vii) if he shall be removed from office by an ordinary resolution of the members of the Company under Article 118(a).

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

103. (a) (i) No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so, either specifically or by way of a

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general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may subsequently be made by the Company.

- (ii) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed between the Company and the Director) no such Director shall be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or is about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in the manner aforesaid.

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- Director may not vote where he has a material interest**
App 3
r.4(1)
- (b) A Director may hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profit or otherwise) as the Board may determine, and such extra remuneration shall be in addition to any remuneration provided for by or pursuant to any other Article.
- (c) A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or any other proposal whatsoever in which he or any of his Close Associates (or, if required by the Listing Rules, his other Associates) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:
- (i) the giving of any security or indemnity either:
- (aa) to the Director or any of his Close Associates 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;
- (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 any of his Close Associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly
- Director may vote in respect of certain matters**
App 3
Note 1

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under a guarantee or indemnity or
by the giving of security;

- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his Close Associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- ~~(iii) any proposal concerning any other company in which the Director is interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or any of his Associates is/are beneficially interested in the shares of that company, provided that, the Director and any of his Associates is/are not, in aggregate beneficially interested in 5 per cent. or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his Associates is derived) or of the voting rights;~~
- (iviii) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:
 - (aa) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his Close Associates may benefit;
 - (bb) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their

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Close Associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his Close Associates as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(vii) any contract or arrangement in which the Director or any of his Close Associates 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.

**Director may vote
on proposals not
concerning own
appointment**

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

**Who to decide
whether a
Director may vote**

(e) If any question shall arise at any meeting of the Board as to the materiality of a Director's interest or the significance of a contract, arrangement or transaction or proposed contract, arrangement or transaction or as to the entitlement of any Director to vote or form part of a quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not to be counted in the quorum, such question shall be referred to the Chairman of the meeting (or, where question

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relates to the interest of the Chairman, to the other Directors at the meeting) and his ruling (or, as appropriate, the ruling of the other Directors) in relation to any other Director (or, as appropriate, the Chairman) shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned (or, as appropriate, the Chairman) as known to such Director (or, as appropriate, the Chairman) has not been fairly disclosed to the Board.

Managing Directors

**Power to appoint
Managing
Directors, etc.**

104. The Board may from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director, or other Executive Director and/or such other employment or executive office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to remuneration as it may decide in accordance with Article 101.

**Removal of
Managing
Director, etc.**

105. Every Director appointed to an office under Article 104 hereof shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, be liable to be dismissed or removed therefrom by the Board.

**Cessation of
appointment**

106. A Director appointed to an office under Article 104 shall be subject to the same provisions as to removal as the other Directors, and he shall, without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company, *ipso facto* and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

Powers may be

107. The Board may from time to time entrust to and confer

delegated

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

Management

General powers of Company vested in Board

- 108. (a) Subject to any exercise by the Board of the powers conferred by Articles 109 to 111, the management of the business of the Company shall be vested in the Board which, in addition to the powers and authorities by these Articles expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the ~~Law Act~~ expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the ~~Law Act~~ and of these Articles and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or these Articles, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (b) Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board shall have the following powers:
 - (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and
 - (ii) to give to any Directors, officers or

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employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

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- (c) Except as would, be permitted by the Companies Ordinance if the Company were a company incorporated in Hong Kong, ~~be permitted by Section 157H of the Companies Ordinance as in force at the date of adoption of these Articles,~~ and except as permitted under the Companies Law Act, the Company shall not directly or indirectly:
- (i) make a loan to a Director or his Close Associates or a director of any holding company of the Company or a body corporate controlled by a Director or such a director;
 - (ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director or a body corporate controlled by a Director or such a director; or
 - (iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

Managers

Appointment and remuneration of managers

109. The Board may from time to time appoint a general manager, manager or managers of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participation in

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the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them in connection with the conduct of the business of the Company.

**Tenure of office
and powers**

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

**Terms and
conditions of
appointment**

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

Rotation of Directors

**Rotation and
retirement of
Directors**

112. At each annual general meeting, one-third of the Directors (other than the Managing Director or Joint Managing Director) for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not exceeding, one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereat. Director being re-elected need not have been nominated by the Nomination Committee if they are retiring due to rotation pursuant to Article 112 and are being nominated for re-election at a general meeting.

**Meeting to fill
up vacancies**

113. 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

so nominated by the Nomination Committee.

Retiring Directors to remain in office till successors appointed

- 114. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled the retiring Directors or such of them as have not had their places filled shall be deemed to have been re-elected and shall, if willing, continue in office until the next annual general meeting and so on from year to year until their places are filled, unless:
 - (i) it shall be determined at such meeting to reduce the number of Directors; or
 - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
 - (iii) a resolution for the re-election of such Directors is put to the meeting and lost.

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

115. The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than five. Subject to the provisions of these Articles and the Law Act, the Company may by ordinary resolution elect any person so nominated by the Nomination Committee to be a Director either to fill a casual vacancy or as an addition to the existing Directors. ~~Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board), and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. Director being re-elected need not have been nominated by the Nomination Committee if they are retiring due to rotation pursuant to Article 112 and are being nominated for re-election at a general meeting.~~

Notice to be given when person proposed for election

116. No person other than a retiring Director shall be eligible for election to the office of Director at any general meeting unless during the period commencing no earlier than the day after the despatch of the notice of the meeting

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r.4(5)

appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Nomination Committee notice in writing by a member of the Company (not being the person to be proposed), entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed (including by Electronic Signature) by the person to be proposed of his willingness to be elected, and the Nomination Committee has approved such person for nomination.

**Register of
Directors and
notification of
changes to
Registrar**

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

**Power to remove
Director by
ordinary
resolution**

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118. (a) The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his ~~period~~term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person so nominated by the Nomination Committee in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed.

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(b) Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may

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exist apart from the provision of this Article.

Proceedings of Directors

Meetings of Directors/ Quorum etc.

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

Convening of board meeting

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

How questions to be decided

121. Subject to Article 103, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.

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- Chairman** 122. The Board may elect a Chairman of its 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 by rotation under Article 112) for which he is to hold office; but if no such Chairman is elected, or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.
- Power of meeting** 123. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board generally.
- Power to appoint committee and to delegate** 124. The Board may delegate any of its powers to committees consisting of such member or members of the Board (including alternate Directors in the absence of their appointers) as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
- Acts of committee to be of same effect as act of Directors** 125. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.
- Proceedings of committee** 126. (a) The meetings and proceedings of any such committee consisting of two or more members of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to

Article 124.

Minutes of proceedings of meetings and Directors

- (b) The Board shall cause minutes to be made of:
 - (i) all appointments of officers made by the Board;
 - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Article 124;
 - (iii) all declarations made or notices given by any Director of his interest in any contract or proposed contract or of his holding of any office or property whereby any conflict of duty or interest may arise; and
 - (iv) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.

Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed (including by Electronic Signature) by the ~~chairman~~Chairman of the meeting or by the ~~chairman~~Chairman of the succeeding meeting.

When acts of Directors or committee to be valid notwithstanding defects

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

Directors' powers when vacancies exist

128. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of

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summoning a general meeting of the Company but for no other purpose.

**Directors'
resolutions**

129. Unless required otherwise by the Listing Rules, a resolution in writing signed (including by Electronic Signature) by each and every one of the Directors (or their respective alternates pursuant to Article 96(c)) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held and may consist of several documents in like form each signed (including by Electronic Signature) by one or more of the Directors or alternate Directors. Notwithstanding the foregoing, a resolution which relates to any matter or business in which a substantial shareholder of the Company (as defined in the Listing Rules from time to time), or a Director, has an interest conflicting with that of the Company which the Board determines, prior to the passing of such resolution, to be material, shall not be passed by a resolution in writing and shall only be passed at a meeting of the Directors held in accordance with these Articles.

Secretary

**Appointment of
Secretary**

130. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the ~~Law~~Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary appointed by the Board, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically in that behalf by the Board.

**Same person not
to act in two
capacities at once**

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

General Management and Use of the Seal

Custody and use of seal

132. The Board shall provide for the safe custody of the seal which shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which such seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Board for the purpose. The securities seal which shall be a facsimile of the common seal with the word "Securities" engraved thereon shall be used exclusively for sealing securities issued by the Company and for sealing documents creating or evidencing securities so issued. The Board may either generally or in any particular case resolve that the securities seal or any signatures or any of them may be affixed to or imprinted on certificates for shares, warrants, debentures or any other form of security by facsimile or other mechanical means specified in such authority or that any such certificates sealed with the securities seal need not be signed by any person. Every instrument to which the seal is affixed or on which the seal is imprinted as aforesaid shall, as regards all persons dealing in good faith with the Company, be deemed to have been affixed to or imprinted on that instrument with the authority of the Directors previously given.

Duplicate seal

133. The Company may have a duplicate seal for use outside of the Cayman Islands as and where the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the agents of the Company for the purpose of affixing and using such duplicate seal and they may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such duplicate seal as aforesaid.

Cheques and banking arrangements

134. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for ~~moneys~~monies paid to the Company shall be signed, drawn, accepted, indorsed or otherwise executed, as the

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

**Power to appoint
attorney**

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

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

**Regional or local
boards**

136. The Board may establish any committees, regional or local boards or agencies for managing any of the affairs of the Company, either in the Cayman Islands, Hong Kong, the People's Republic of China or elsewhere, and may appoint any persons to be members of such committees, regional or local boards or agencies and may fix their remuneration, and may delegate to any committee, regional or local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them

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to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

**Power to
establish
pension funds
and employee
share option
schemes**

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

Capitalisation of Reserves

Power to

138. The Company in general meeting may upon the

capitalise

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

Effect of resolution to capitalise

- 139. (a) Wherever such a resolution as referred to in Article 138 shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:
 - (i) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up

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or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) as ~~they think~~ it thinks fit in cases where shares, debentures or other securities become distributable in fractions;

(ii) to exclude the right of participation or entitlement of any member with a registered address ~~outside~~ in any territory where ~~in the absence of a registration statement or other special or onerous formalities the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider:~~

(aa) the circulation of an offer of such right or entitlement would or might be unlawful in the absence of a registration statement or other special formalities; or

(bb) the costs, ~~expense~~ expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer are, in the Board's opinion, out of proportion to the benefits of the Company; and

(iii) 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, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of

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the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

- (b) The Board may, in relation to any capitalisation sanctioned under this Article in its absolute discretion specify that, and in such circumstances and if directed so to do by a member or members entitled to an allotment and distribution credited as fully paid up of unissued shares or debentures in the Company pursuant to such capitalisation, shall allot and distribute credited as fully paid up the unissued shares, debentures or other securities 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.

Dividends and Reserves

Power to declare dividends

140. (a) Subject to the ~~Law~~Act and these Articles, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

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

Board's power to pay interim

141. (a) The Board may from time to time pay to the members such interim dividends as appear to the

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dividends

Board to be justified by the profits of the Company and, in particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts *bona fide*, the Board shall not incur any responsibility to the holders of shares conferring any preferential rights.

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

**Powers of
Directors to
declare and pay
special
dividends**

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

**Dividends not to
be paid out of
capital**

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

Scrip dividends

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

either

As to cash

- (i) that such dividend be satisfied wholly or in

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election

part in the form of an allotment of shares credited as fully paid up, 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:

- (aa) the basis of any such allotment shall be determined by the Board;
- (bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the 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;
- (cc) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;
- (dd) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares shall be allotted credited as fully paid to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board

shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, share premium account and capital redemption reserve (if there be any such reserve)) or profit or loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis;

or

As to scrip election

- (ii) that shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
 - (aa) the basis of any such allotment shall be determined by the Board;
 - (bb) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to 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

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forms of election must be lodged in order to be effective;

(cc) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded;

(dd) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu 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 Board 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 capital redemption reserve (if there be any such reserve)) or profit and loss account or amounts otherwise available for distribution as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

(b) The shares allotted pursuant to the provisions of paragraph (a) of this Article shall be of the same class as the class of, and shall rank *pari passu* in all

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respects with the shares then held by the respective allottees save only as regards participation:

- (i) in the relevant dividend (or share or cash election in lieu thereof as aforesaid); or
 - (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend, unless contemporaneously with the announcement by the Board of its proposal to apply the provisions of paragraph (i) or (ii) of paragraph (a) in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of this paragraph (a) shall rank for participation in such distributions, bonuses or rights.
- (c) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (a) with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (d) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect

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of any one particular dividend of the Company that notwithstanding the provisions of paragraph (a) 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 Board may on any occasion determine that rights of election and the allotment of shares under paragraph (a) 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;~~

(i) the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, ~~or where the Board considers~~ in the absence of a registration statement or other special formalities; or

(ii) the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer are, in the Board's opinion, out of proportion to the ~~benefit~~benefits of the Company,

and in any such case the provisions aforesaid shall be read and construed subject to such determination.

Share Premium and Reserves

144. (a) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. The Company may apply the share premium account in any manner permitted by the Companies Law Act. The Company shall at all times comply with the provisions of the Companies Law Act in relation to the share premium account.

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

Dividends to be paid in proportion to paid up capital

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

Retention of dividends, etc.

- 146. (a) The Board may retain any dividends or other ~~moneys~~monies payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (b) The Board may retain any dividends or other monies payable upon shares in respect of which any person is, under the provisions as to the transmission of shares hereinbefore contained,

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entitled to become a member, or in respect of which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.

Deduction of debts

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

Dividend and call together

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

Dividend in specie

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

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- Effect of transfer**
149. (a) A transfer of shares shall not pass therewith the right to any dividend or bonus declared thereon before the registration of the transfer.
- (b) Any resolution declaring or resolving upon the payment of a dividend or other distribution on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or made to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend or other distribution shall be payable or made to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.
- Receipt for dividends by joint holders of share**
150. If two or more persons are registered as joint holders of any shares, any one of such persons may give effectual receipts for any dividends, interim and special dividends or bonuses and other ~~moneys~~monies payable or rights or property distributable in respect of such shares.
- Payment by post**
151. (a) Unless otherwise directed by the Board, any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of the person whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares and shall be sent at his or their risk, and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good

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discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.

~~App 3~~
~~r.13(1)~~

- (b) The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

**Unclaimed
dividend**
~~App 3~~
~~r.3(2)~~

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

Untraceable Shareholders

**Sale of shares
of untraceable
shareholders**

153. (a) The Company shall be entitled to sell any shares of a member or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if and provided that:
- (i) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
 - (ii) the Company has not during that time or before the expiry of the three month period

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referred to in paragraph (iv) below received any indication of the whereabouts or existence of the member or person entitled to such shares by death, bankruptcy or operation of law;

App 3
r.13(2)(a)

(iii) during the 12-year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and

App 3
r.13(2)(b)

(iv) upon expiry of the 12-year period, the Company has caused an advertisement to be published in the newspapers, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided, giving notice of its intention to sell such shares, and a period of three months has elapsed since such advertisement and the Exchange has been notified of such intention.

The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

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

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

Document Destruction

Destruction of registrable documents, etc.

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

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

Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of any documents referred to in this Article or any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document might be relevant to a claim.

Annual Returns and Filings

Annual returns and filings

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

Accounts

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

156. The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the LawAct.

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**Where accounts
are to be kept**

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

**Inspection by
members**

158. The Board shall from time to time determine whether, to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of the members (other than officers of the Company) and no member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the LawAct or any other relevant law or regulation or as authorised by the Board or by the Company in general meeting.

**Annual profit
and loss account
and balance
sheet**

App 13
Part B
r.4(2)

159. (a) The Board shall, commencing with the first annual general meeting cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an Auditors' report on such accounts prepared pursuant to Article 160 and such other reports and accounts as may be required by law.

**Annual report
of Directors
and balance
sheet to be
sent to
members etc.**

App 13
Part B
r.3(3)
App 3

(b) Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent in the manner in which notices may be served by the Company as provided herein to every member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than

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one of the joint holders of any shares or debentures.

- (c) To the extent permitted by and subject to due compliance with these Articles, the ~~Law~~Act and all applicable rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 159(b) shall be deemed satisfied in relation to any member or any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the ~~Law~~Act, a summary financial statement derived from the Company's annual accounts, together with the Directors' report and the ~~Auditors's~~Auditors' report on such accounts, which shall be in the form and containing the information required by these Articles, the ~~Law~~Act and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the ~~Director's~~Directors' report and the ~~Auditor's~~Auditors' report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company sends to him, in addition to the summary financial statement, a complete printed copy of the Company's annual accounts, together with the Directors' report and the ~~Auditor's~~Auditors' report thereon.
- (d) The requirement to send to a member the documents as referred to in Article 159(b) or a summary financial report in accordance with Article 159(c) shall be deemed to be satisfied where, in accordance with all applicable laws and the Listing Rules, the Company publishes copies of the documents referred to in Article 159(b) and, if applicable, a summary financial report complying with Article 159(c) on the Company's website or in any other permitted manner (including by sending any form of electronic communication), and that

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member has agreed or is deemed to have agreed, in accordance with the Listing Rules, to treat the publication or receipt of such documents in such manner as discharging the Company's obligations to send to such member a copy of such documents under Articles 159(b) and 159(c).

Audit

Auditors

App 13

Part B

r.4(2)

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

Appointment and remuneration of Auditors

App 3

r.17

161. The Company shall at ~~any~~every annual general meeting by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his term of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed by ordinary resolution, provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing

Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.

When accounts to be deemed settled

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

Notices

Service of notices
App 3
r.7(1)

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

(b) Notice of every general meeting shall be given in any manner hereinbefore authorised to:

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

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

**Members out
of Hong Kong**

App-3

r.7(2)

App-3

r.7(3)

164. A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have

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been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article 164 shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.

**When notice by
post deemed to be
served**

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

(b) Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.

(c) Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).

(d) Any notice given by electronic means as provided herein ~~shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by~~ subject to the Listing Rules or any applicable laws or regulations, be deemed to have been served and delivered at the time when the notice is sent.

**Service of notice
to persons
entitled on death,**

166. A notice may be given by the Company to the person or persons entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it

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**mental disorder
or bankruptcy of
a member**

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

**Transferee bound
by prior notices**

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

**Notice valid
though member
deceased**

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

**How notice to be
signed**

169. The signature to any notice to be given by the Company may be written or printed by means of facsimile or, where relevant, by Electronic Signature.

Information

**Member not
entitled to
information**

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

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members or the Company to communicate to the public.

**Directors entitled
to disclose
information**

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

Winding Up

App 3
r.21

- 171A Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.

**Power to
distribute assets
in specie
following
liquidation**

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

**Distribution of
assets in
liquidation**

173. If the Company shall be wound up, and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by

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them respectively. And if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

**Service of
process**

174. In the event of a winding-up of the Company in Hong Kong, every member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.

Indemnities

**Indemnities of
Directors
and officers**

175. (a) Every Director, Auditor or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director, Auditor or other officer of the Company

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in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.

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

Financial Year

Financial year

176. ~~The~~Unless the Directors otherwise prescribe, the financial year of the Company shall ~~be prescribed by the Board and may, from time to time, be changed by it~~end on 31 December in each year and, following the year of incorporation, shall begin on 1 January in each year.

Amendment of Memorandum and Articles

Amendment of Memorandum and Articles
App 133
Part B
r.1
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177. Subject to the Law Act, the Company may at any time and from time to time by special resolution alter or amend its Memorandum of Association and Articles of Association in whole or in part.



CHINA MENGNIU DAIRY COMPANY LIMITED

中國蒙牛乳業有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2319)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Annual General Meeting**”) of the shareholders of China Mengniu Dairy Company Limited (the “**Company**”) will be held at the Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong at 11:30 a.m. on Wednesday, 8 June 2022 for the following purposes:

1. To review and consider the audited financial statements and the reports of the directors and the independent auditors for the year ended 31 December 2021.
2. To approve the proposed final dividend of RMB0.381 per share for the year ended 31 December 2021.
3. To re-elect the following directors and authorise the board of directors of the Company to fix their remuneration:
 - (a) Mr. Chen Lang;
 - (b) Ms. Wang Yan;
 - (c) Mr. Zhang Ping;
 - (d) Mr. Wang Xi;
 - (e) Mr. Yih Dieter (alias Yih Lai Tak, Dieter);
 - (f) Mr. Li Michael Hankin; and
 - (g) Mr. Ge Jun.
4. To appoint KPMG as the auditors of the Company and authorise the board of directors of the Company to fix their remuneration for the year ending 31 December 2022.

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase ordinary shares of HK\$0.10 each in the capital of the Company (“**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution number 5 set out in this notice of annual general meeting (“**Resolution 5**”) and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution 5:

“Relevant Period” means the period from the passing of this Resolution 5 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by any applicable law(s) to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 5 by the passing of an ordinary resolution by the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements, options and warrants which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution set out in this notice of annual general meeting (“**Resolution 6**”) shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution 6, otherwise than pursuant to, (i) a Rights Issue (as hereinafter defined), (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, (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 in accordance with the articles of association of the Company or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 10 per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this Resolution 6, and the said approval shall be limited accordingly;
- (d) for the purpose of this Resolution 6:

“Relevant Period” means the period from the passing of this Resolution 6 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by any applicable law(s) to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 6 by the passing of an ordinary resolution by the shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of the Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

And as special business, to consider and, if thought fit, to pass the following special resolution:

SPECIAL RESOLUTION

7. **“THAT**

- (a) the proposed amendments (the **“Proposed Amendments”**) to the existing memorandum of association and articles of association of the Company (the **“Existing Memorandum and Articles of Association”**), the details of which are set out in Appendix III to the circular of the Company dated 17 May 2022, be and are hereby approved;
- (b) the new memorandum of association and articles of association of the Company (the **“New Memorandum and Articles of Association”**), which contains all the Proposed Amendments and a copy of which has been produced to this meeting and marked “A” and initialed by the chairman of the meeting, be and is hereby approved and adopted in substitution for and to the exclusion of the Existing Memorandum and Articles of Association of the Company with immediate effect after the close of this meeting; and
- (c) any director or company secretary of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to this resolution number 7 set out in this notice of annual general meeting, including without limitation, attending to the necessary filings with the Registrar of Companies in the Cayman Islands and Hong Kong.”

By order of the Board
Kwok Wai Cheong, Chris
Company Secretary

Hong Kong, 17 May 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. All proxies, together with powers of attorney or other authorities, if any, under which they are signed or notarially certified copies thereof, must be deposited with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 48 hours before the time of the Annual General Meeting. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the meeting if he so wishes.
- (2) The register of members of the Company will be closed during the following periods:
 - (i) from Thursday, 2 June 2022 to Wednesday, 8 June 2022 both days inclusive, for the purpose of ascertaining shareholders' eligibility to attend and vote at the Annual General Meeting. In order to be eligible to attend and vote at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, 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 Wednesday, 1 June 2022; and
 - (ii) on Tuesday, 14 June 2022, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend of RMB0.381 per ordinary share of HK\$0.10 each in the capital of the Company for the year ended 31 December 2021. In order to establish entitlements to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at the address as set out in sub-paragraph (i) above not later than 4:30 p.m. on Monday, 13 June 2022.
- (3) 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 are present at any meeting personally or by proxy, that the more senior shall alone be entitled to vote in respect of such Share and, for this purpose, seniority shall be determined by the order in which the names of the joint holders stand on the register of the relevant joint holding.
- (4) With reference to Resolution 3 above, Mr. Chen Lang will retire by rotation and Ms. Wang Yan, Mr. Zhang Ping, Mr. Wang Xi, Mr. Yih Dieter (alias Yih Lai Tak, Dieter), Mr. Li Michael Hankin and Mr. Ge Jun will also retire in accordance with the articles of association of the Company and, being eligible, offer themselves for re-election at the Annual General Meeting. Details of the above Directors are set out in Appendix II to the circular dated 17 May 2022.
- (5) The Company will implement certain preventive measures at the Annual General Meeting, the details of which are set out in the section headed "PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING" in the circular dated 17 May 2022, to safeguard the health and safety of the attending Shareholders, staff and other stakeholders.