

(COPY)

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that

CHEONG SUN DEVELOPMENT COMPANY LIMITED
(昌生興業有限公司)

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

Given under my hand this Twenty- eighth day of November, One Thousand Nine Hundred and Seventy- two.

(Sd.) SHAM Fai
for Registrar of Companies
Hong Kong.

This version of memorandum of association and articles of association is prepared in Chinese and English. In the event that there is any discrepancy or inconsistency between the two versions, the English version shall prevail.

This constitutional document is a conformed copy or a consolidated version not formally adopted by shareholders at a general meeting.

THE COMPANIES ORDINANCE, (CHAPTER 32)

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

(Embodied all amendments passed by Special and Ordinary Resolutions up to 8 February 2007)

OF

FAR EAST HOLDINGS INTERNATIONAL LIMITED

遠 東 控 股 國 際 有 限 公 司

(Name Changed on 27 February 2007, 12 May 2000,
23 September 1988, 11 August 1987 and 3 September 1982)

First:-The name of the Company is “**FAR EAST HOLDINGS INTERNATIONAL LIMITED** 遠東控股國際有限公司”.

Second:- The Registered Office of the Company will be situate in Hong Kong.

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

- (1) To purchase, take on lease or in exchange, hire or otherwise acquire any land and hereditaments of any tenure and messuages and tenements and any estate or interest in any land or hereditaments, messuages or tenements and any rights, easements or privileges to any land or hereditaments, messuages or tenements belonging to or appertaining therewith at any time used, held or enjoyed for such consideration whether wholly partly of or a pecuniary nature as the Company shall think fit.
- (2) To develop and turn to account any land or other property purchased, leased, exchanged, hired or otherwise acquired by the Company or in which the Company is interested, and develop and turn to account the resources of any property whether belonging to the Company or not, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fining up, and improving buildings,

and by planting, paving, draining, farming, cultivating, letting on building lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others.

- (3) To advance money by way of loan on any land or hereditaments of any tenure, whether the same shall be wholly or partly built on or not, or any messuages or tenements or any estate or interest in any land or hereditaments, messuages or tenements to such amount, at such rate of interest and upon such terms and conditions as the Company shall think fit, and in particular to lend money to any person or persons, company or corporation undertaking to build on, or to develop or improve any property upon which this Company shall advance or agree to advance money or in which it is interested.
- (4) To manage, demise and let, or agree to demise and let, to accept surrenders of, to mortgage, sell, and absolutely dispose of, to surrender to the Crown, to grant rights of way over, or otherwise howsoever to deal with all or any or either or any parts or part of the Company's land and hereditaments, messuages and tenements, or any estate or interest therein respectively.
- (5) To carry on the business of a house and estate agent and a broker of land and hereditaments, messuages and tenements, and, any estate or interest therein respectively, in all or any or either of their respective branches and especially to negotiate and arrange loans on land and hereditaments, messuages and tenements and any estate or interest therein respectively, to manage estates and properties, to receive and collect rents, and to act as attorneys or factors and transact all manner of agency and commission business so far as regards land and hereditaments, messuages and tenements and any estate or interest therein respectively, for any person or persons, company or corporation for such commission or consideration and upon such terms and conditions as the Company shall think fit.
- (6) To obtain, vacant possession of any land, buildings, messuages, tenements and other erections belonging to the Company or in which the Company is interested either as owners, lessees, sub-lessees, contractors or otherwise whatsoever by proceedings in or applications to any court of law, tribunal or other appropriate authority, having authority in that behalf or in any lawfully manner, for the purpose of development or re-development by the erection of new buildings, tenements, messuages, houses and other erections of every description and to pay compensation and other monies to the lessees, tenants, sub-tenants and other tribunal or appropriate authority or which may be otherwise payable.
- (7) To carry on the business of construction and building contractors, interior and exterior decorators and auctioneers of land hereditaments messuages and tenements and any estate or interest therein respectively.
- (8) To lay out and prepare for building purposes any land belonging to this Company, or in which it is interested, and to improve and develop any such land by reclaiming, draining, planting, cleaning, and otherwise dealing with the same, and to construct, or procure the construction thereon, or on some part thereof, of all kinds of buildings, and in particular of offices, shops, hotels garages, restaurants, cafes, dwelling houses, factories, workshops warehouses and godowns, and to alter, pull down, rebuild, repair, maintain, decorate and furnish any buildings or erections situate on any such land.
- (9) To acquire, by purchase or otherwise, or undertake, or otherwise to participate in, deal in and turn to account the whole or any part of the business, property and liabilities of any person or company carry on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company.
- (10) To apply for, purchase or otherwise acquire, any contracts, decrees and concessions, for or in

relation to the construction, execution, carrying out, equipment, improvement, management, administration or control of public works and conveniences, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.

- (11) To carry on the business of an investment company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shams, stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business, and debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
- (12) To purchase or otherwise acquire, issue, re- issue, sell, place, and deal in shares, stocks, debentures, debenture stock and other securities, and to give any guarantee or security for the payment of dividends or interest thereon, or otherwise in relation thereto.
- (13) To acquire any such shares, stock, debentures, debenture stock, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit,
- (14) To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares, stocks, obligations or other securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Company of some special proportion of the issue or nominal amount thereof and to provided 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.
- (15) To issue on commission, underwrite or otherwise subscribe conditionally or unconditionally for, take, acquire, hold, sell, exchange, and otherwise deal in shares, stocks, funds, debentures, debenture stock, bonds, mortgages, obligations, or securities of any government, state, principality, local or other authority, municipal or other corporation, company, association, firm or person and to give any guarantee for the payment of money or the performance of any obligation or undertaking in relation to mortgages, contracts of every nature, loans, investments and securities or otherwise, or for any other purpose, and whether made or effected or acquired through the Company's agency or otherwise.
- (16) To act as trustee for the holders of or otherwise in relation to any stocks, shares, debentures, debenture stock, bonds or other securities or obligations issued or to be issued or to be issued by any government, state, principality, local or other authority, municipal or other corporation, company or association, and generally to undertake and execute any trusts, both public and private, the undertaking whereof it may seem desirable or calculated directly or indirectly to benefit the Company.
- (17) To undertake and execute any trusts as the Company may think fit, and also to undertake the office of executor, administrator, treasurer or registrar and to keep for any company, government, authority or body any register relating to any stock, funds, shares or securities, or to undertake any duties in relation to the registration of transfers, the issue of certificates or otherwise.
- (18) To act as agents for the purchase, sale, improvement, development and management of properties or any estate or right therein, including business concerns and undertakings and generally to transact and undertake all kinds of agency business and to carry on the business of rent collectors and that of land, house and estate agents.

- (19) To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, property or rights.
- (20) Generally to purchase, take on lease or in exchange, hire or otherwise acquire, and improve, manage, work, develop, lease, mortgage, sell, dispose of, turn to account and otherwise deal with any real and personal property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock - in - trade and concessions, business concerns and undertakings.
- (21) To carry on business as capitalists, financiers, concessionaries and merchants, and to undertake and carry on and execute all kinds of financial, commercial, trading and other operations, and to advance, deposit, or lend money, securities and property to or with such persons or companies and on such terms as may seem expedient and either with or without security and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by any such persons or companies.
- (22) To carry on all or any of the business of importers, exporters, commission agents and general traders, and to buy, sell, import, export, manipulate and prepare for market, and deal in goods and merchandise of all descriptions, both wholesale and retail, and to transact every kind of agency business, and to undertake the business of manufactures' representatives.
- (23) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (24) To take, or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company or any business capable of being conducted so as directly or indirectly to benefit this Company.
- (25) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to the benefit employees or ex - employees of the Company or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibitions, or for any public, general or useful objects.
- (26) To amalgamate with any other company having objects altogether or in part similar to those of this Company.
- (27) To undertake or enter into any contract or arrangement in connection with the undertaking or property of any company in which the Company is interested.
- (28) To purchase or otherwise acquire, or undertake the whole or any part of the business, property and liabilities, including shares, stocks, bonds, debentures, mortgages, or other obligations or any or either of them, of any other company, corporation or person carrying on any business in Hong Kong or elsewhere, which the Company is authorised to carry on, or possessed of any property or right suitable for the purposes of this Company, and to carry on, conduct, or liquidate, or wind - up any business so acquired, and to acquire the business of any company or corporation if deemed expedient, by amalgamation with such company or corporation instead of by purchase in the ordinary way.

- (29) To pay for any business or undertaking, or any property, rights, stocks, shares, bonds, debentures or other securities acquired by the Company, either in cash or shares, with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another and generally on such terms as the Company shall determine.
- (30) To sell the business or undertaking of the Company or any part thereof, including any shares, stock, bonds, debentures, mortgages, or other obligations or securities, or any or either of them, patents, trade marks, trade names, copyrights, licences or authorities of any estate, rights, property, privileges or assets of any kind.
- (31) To accept payment for the business or undertaking of the Company or any part thereof, or for any property or rights sold or otherwise disposed of or dealt with by the Company, either in cash, by instalments or otherwise, or in shares or bonds of any company or corporation, with or without deferred or preferred rights in respect of dividends or repayment of capital or otherwise, or by means of a mortgage, or by debentures, debenture stock or mortgage debenture or bonds of any company or partly in one mode and partly in another and generally on such terms as the Company may determine.
- (32) To engage in Hong Kong or elsewhere in any business or transaction within the limits of the Company's objects, in conjunction with other person, corporation, company or firm, and to hold shares, stocks or bonds in any such company or corporation.
- (33) To purchase or otherwise acquire and to invest money in or to advance and lend money on the security of land or any interest therein, building, godowns, goods, wares, merchandise and produce, shares, securities and other real and personal property whatsoever and wheresoever, and generally to invest and deal with the moneys of the Company not immediately required upon such securities (other than and except shares of the Company) and in such manner as may from time to time seem desirable and be determined.
- (34) To guarantee, support or secure, whether by person covenant or mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by both methods, the performance of the obligations and/or the repayment or payment of money by any person, firm or company including (without prejudice to the generality of the foregoing) any company which is for the time being the Company's holding company as defined in the Companies Ordinance Cap. 32 or any subsidiary of the Company's holding company or a subsidiary of the Company's holding company or a subsidiary of the Company or otherwise associated with the Company in its business whether or not the giving of such guarantee, support or security would result in the Company receiving any consideration or advantage, whether direct or indirect therefrom.
- (35) To lend money to such persons, firms and companies and on such terms as may seem expedient, and in particular to customers and others having dealing with the Company and to guarantee the performance of contracts by any such persons, firms or companies.
- (36) To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence, and to avert or minimise financial disturbances which might affect the Company.
- (37) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise), godown warrants, warehouse receipts, wharfinger's receipts, promissory notes and similar documents and to secure the repayment of any money borrowed, raised, or owing by mortgage, charge, or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and

guarantee the performance by the Company of any obligation or liability it may undertake.

- (38) To draw, make, accept, indorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, godown warrants, godown receipts, warehouse receipts, wharfinger's receipts, warrants, debentures, bonds and other negotiable or transferable instruments.
- (39) To enter into partnership or into any arrangement for sharing of profits, union of interests, co - operation, joint venture, reciprocal concession or otherwise, with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to lend money to, guarantee the contracts of, or otherwise assist, any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold, re- issue, with or without guarantee, or otherwise deal with the same.
- (40) To enter into any arrangement with any Governments or authorities (supreme, municipal, local or otherwise), or any corporations, companies or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, corporation, company or person any charters, contracts, decrees, rights, privileges and concessions and to carry out, exercise and comply with any such charters, contracts, decrees, arrangements, rights, privileges and concessions.
- (41) To act as agents, brokers or trustees for any person, firm or company, and to undertake and perform sub- contracts, and also to act in any of the businesses of the Company through or by means of agents, brokers, sub- contractors or others.
- (42) To transact and carry on all kinds of agency business and in particular in relation to the sale and purchase of goods and property, the investment of money, the negotiation of loans, and the collection or rents and debts.
- (43) To remunerate any person, firm or company rendering services to the Company, either by cash payment or by the allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
- (44) To promote any other company for the purpose of acquiring all or any of the properties, and undertaking any of the liabilities of the Company, or of undertaking any business or operation which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company, and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire, all or any part of the shares or securities of any company as aforesaid.
- (45) To sell or otherwise dispose of the whole or any part of the assets or undertakings of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (46) To procure the Company to be registered or recognized in any foreign country or place.
- (47) To distribute any of the property of the Company among the members in specie or otherwise, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (48) To do all or any of the above things either as principals, agents, trustees or otherwise, and by or through agents, trustees or otherwise, and either alone or in conjunction with others.

(49) To carry out the above objects and to do all such other things as may be deemed incidental or conducive to the attainment thereof either in Hong Kong or elsewhere.

AND it is hereby declared that the word “Company” in this clause when not applied to this Company shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in Hong Kong or elsewhere, and whether existing or hereafter to be formed and the intention is that each object specified in each paragraph of this clause shall, unless otherwise therein provided, be regarded as an independent object and shall be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company and shall be capable of being pursued as an independent object and either alone or in conjunction with any one or more of the objects specified in the same or in any other paragraph or paragraphs.

Fourth:- The liability of the Members is limited.

Fifth:- The share capital of the Company is Seven Hundred Million Dollars Hong Kong Currency (HK\$700,000,000.00) divided into Seventy Billion (70,000,000,000) shares of 0.01Dollar (\$0.01) each. Upon any increase of capital the Company is to be at liberty to issue any new shares either in Hong Kong Dollars or in any other currency or partly in one currency and partly in another and with any preferential, deferred, qualified or special rights, privileges or conditions attached thereto. The rights for the time being attached to any shares having preferential, deferred, qualified or special rights, privileges or conditions attached thereto, may be altered or dealt with in accordance with the accompanying Articles of Association, but not otherwise.

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

The Memorandum and Articles of Association of the Company shall be construed in accordance with the English text and no Chinese or other translation thereof shall operate to vary or affect such constitution,

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

Names, Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber
(Sd.) K. S. CHENG (CHENG KWEI SHENG 鄭桂生) No. 46, Magazine Gap Road, Hong Kong. Merchant	One
(Sd.) K. L. KUNG (KUNG KA- LUEN 龔家麟) Flat 6D, Garden Mansion, No. 154, Austin Road,	One

Kowloon. Merchant	
Total Number of Shares Taken....	Two

Dated the 22nd day of November, 1972.
WITNESS to the above signatures:

(Sd.) VINCENT CHIEUNG
Solicitor,
Hong Kong

THE COMPANIES ORDINANCE, (CHAPTER 32)

Company Limited by Shares

ARTICLES OF ASSOCIATION

(Embodied all amendments passed by Special and Ordinary Resolutions up to
8 February 2007)

OF

FAR EAST HOLDINGS INTERNATIONAL LIMITED

遠 東 控 股 國 際 有 限 公 司

(Name Changed on 27 February 2007, 12 May 2000,
23 September 1988, 11 August 1987 and 3 September 1982)

Preliminary

1. In these Presents unless there be something in the subject or context inconsistent therewith: -

“The Ordinance” means the Companies Ordinance, Chapter 32 or any statutory modification or re-enactment for the time being in force.

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

“Exchange” shall mean The Stock Exchange of Hong Kong Limited as amended from time to time.

“The Company” means “FAR EAST HOLDINGS INTERNATIONAL LIMITED 遠東控股國際有限公司”.

“The Board” means the Board of Directors for the time being of the Company.

“associate” shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

“Secretary” includes any person, firm or company appointed for the time being by the Directors to perform the duties of Secretary.

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

“The Register” means the Register of Members to be kept pursuant to the Companies Ordinance, Chapter 32 of the Laws of Hong Kong.

“clearing house” shall mean a recognized clearing house as defined under Schedule I to the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong) as amended from time to time.

‘Dividend’ includes bonus.

“Month” means calendar month.

“In writing” and “written” include printing, lithography, and other modes of representing or reproducing words in a visible form.

Words and expressions which have a special meaning assigned to them in the Ordinance shall have the same meaning in these Presents.

Words importing the masculine gender only include the feminine gender.

Words importing the singular number only include the plural number and vice versa.

Words importing persons include corporations.

2. The regulations contained in Table “A” in the First Schedule to the Companies Ordinance, Chapter 32, shall not apply to the Company.

3. No part of the funds of the Company shall directly or indirectly be employed in the purchase of or in loans upon the security of the Company’s Shares, but nothing in these Article shall prohibit transactions mentioned in the proviso to Section 48 of the Ordinance.

4. The Company may pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in the Company, or procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any Shares in the Company at any rate not exceeding Ten per centum of the price at which the said Shares are issued.

Shares and Certificates

5. Without prejudice to any special rights previously conferred on the Holders of existing Shares in the Company, any Share in the Company may be issued with such preferred, deferred, or other special rights, or such restrictions, whether in regard to Dividend, Voting, Return of Capital, or otherwise, as the Company may from time to time by Special Resolution determine.

6. Any Preference Share may, with the sanction of a Special Resolution, be issued on the terms that it is, or at the option of the Company is liable, to be redeemed.

7. The Shares shall be under the control of the Directors, who may allot and dispose of or grant options over the same to such persons, on such terms, and in such manner as they think fit.

8. The Directors may make arrangements on the issue of Shares for a difference between the Holders of such Shares in the amount of Calls to be paid and in the time of payment of such Calls.

9. The Company shall be entitled to treat the person whose name appears upon the Register in respect of any Shares as the absolute owner thereof, and shall not be under any obligation to recognise any trust or equity or equitable claims to or partial interest in such Shares whether or not it shall have express or other notice thereof.

10. (i) Every Member shall be entitled without payment to one certificate under the Seal of the Company, specifying the shares held by him and the amount paid up thereon. Such certificate shall be delivered to the Member within two months after the allotment of such shares.

(ii) That fully- paid shares shall be free from any restriction on the right of transfer (except when permitted by the Exchange) and shall also be free from all lien.

11. If any Member shall require additional Certificates he shall pay for each additional Certificate a fee not exceeding the maximum fees prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited.

12. If any Certificate be defaced, worn out, lost, or destroyed, the Directors may at their discretion and subject to such terms as they may think fit issue a new or duplicate Certificate on payment of a fee not exceeding the maximum fees prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited, and the person requiring the new Certificate shall surrender the defaced or worn-out Certificate or give such evidence of the loss or destruction of the Certificate and such indemnity to the Company as the Directors think fit.

Joint Holders of Shares

13. Where two or more persons are registered as the Holders of any Shares they shall be deemed to hold the same as joint tenants with benefit of survivorship, subject to the provisions following: -

- (a) the Company shall not be bound to register more than four persons as the Holders of any Share.
- (b) The joint Holders of any share shall be liable, severally as well as jointly, in respect of all payments which ought to be made in respect of such Shares.
- (c) On the death of any one of such joint Holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to such Share; but the Directors may require such evidence of death as they may deem fit.
- (d) Any one of such joint Holders may give effectual receipts for any Dividend, Bonus, or Return of Capital payable to such joint Holders.
- (e) Only the person whose name stands first in the Register as one of the joint Holders of any Share shall be entitled to delivery of the Certificate relating to such Share, or to receive notices from the Company, or to attend or vote at General Meetings of the Company, and any notice given to such person shall be deemed notice to all joint Holders; but any one of such joint Holders may be appointed the proxy of the person entitled to vote on behalf of such joint Holders, and as such proxy to attend and vote at General Meetings of the Company.

Calls on Shares

14. The Directors may from time to time make Calls upon the Members in respect of all moneys unpaid on their Shares, provided that no Call shall exceed one-fourth of the nominal amount of the Shares or be made payable with one month after the date when the last instalment of the last preceding call shall have been made payable; and each Member shall, subject to receiving fourteen days' notice at least, specifying the time and place for payment, pay the amount called on his Shares to the persons and at the times and places appointed by the Directors. A Call may be made payable by instalments.

15. A Call shall be deemed to have been made at the time when the Resolution of the Directors authorizing such Call was passed.

16. If the Call payable in respect of any Share or any instalment of a Call be not paid before or on the day appointed for payment thereof, the Holder for the time being of such Share shall be liable to pay interest on the same at such rate, not exceeding Ten per centum per annum, as the Directors shall determine, from the day appointed for the payment of such Call or instalment to the time of actual payment; but the Directors may, if they shall think fit, waive the payment of such interest or any part thereof.

17. If by the terms of the issue of any Shares, or otherwise, any amount is made payable at any fixed time or by instalments at any fixed times, whether on account of the amount of the Shares or by way of premium, every such amount or instalment shall be payable as if it were a Call duly made by the

Directors, of which due notice had been given; and all the provisions hereof with respect to the payment of Calls and interest thereon, or to the forfeiture of Shares for non-payment of Calls, shall apply to every such amount or instalment and Shares in respect of which it is payable.

18. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any Shares held by him; and upon all or any of the moneys so paid in advance the Directors may (until the same would but for such advance presently payable) pay interest at such rate (not exceeding without the sanction of the Company in General Meeting, Eight per centum per annum) as may be agreed upon between the Member paying the moneys in advance and the Directors but the Member is not entitled to participate in respect thereof in a dividend subsequently declared.

19. The instrument of transfer of any Shares in the Company shall be in writing, and shall be executed by or on behalf of the transferor and transferee, and duly attested and the transferor shall be deemed to remain the Holder of such Share until the name of the Transferee is entered in the Register in respect thereof. Shares in the Company shall be transferred in any usual or common form of which the Directors shall approve. For the purpose of this Article, the Directors may, on such conditions as they think fit, accept machine imprinted signature(s) of the transferor and/or the transferee as the valid signature(s) of the transferor and/or the transferee.

20. The Directors may decline to register any transfer of Shares upon which the Company has a lien and in the case of Shares not fully paid-up may refuse to register a transfer to a transferee of whom they do not approve.

21. The Directors may decline to recognize any instrument of transfer unless (a) a fee not exceeding the maximum fees prescribed or permitted from time to time by The Stock Exchange of Hong Kong Limited is paid to the Company in respect thereof, and (b) the instrument of transfer is accompanied by the Certificate of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors refuse to register a transfer of any Shares they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

22. On the death of any Member (not being one of several joint Holders of a Share) the legal personal representatives of such deceased Member shall be the only person recognized by the Company as having any title to such Share subject always to Article 21.

23. Any person becoming entitled to a Share or Shares by reason of the death or bankruptcy of a Member may upon such evidence being produced as may from time to time be required by the Directors, elect either to be registered himself as the Holder of the Share or Shares or to have some person nominated by him registered as the transferee thereof, but the Directors shall have the same right to refuse or suspend registration as they would have had in the case of a transfer of the Share or Shares by the deceased or bankrupt person before the death or bankruptcy.

24. The Transfer Books and Register of Members may be closed during such times as the Directors think fit, not exceeding in the whole thirty days in each year.

Forfeiture of Shares and Lien

25. If any Member fails to pay any Call or instalment of a Call on the day appointed for payment thereof, the Directors may at any time thereafter during such time as any part of the Call or instalment remains unpaid serve a notice on him requiring him to pay so much of the Call or instalment as is unpaid, together with interest accrued and any expenses incurred by reason of such non-payment.

26. The notice shall name a further day (not being earlier than the expiration of fourteen days from the date of the notice) on or before which such Call or instalment and all interest accrued and

expenses incurred by reason of such non-payment are to be paid, and it shall also name the place where payment is to be made, such place being either the Registered Office of the Company, or some other place at which Calls of the Company are usually made payable. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the Shares in respect of which such Call or instalment is payable will be liable to forfeiture.

27. If the requisitions of any such notice as aforesaid be not complied with, any Share in respect of which such notice has been given may, at any time thereafter before the payment required by the notice has been made, be forfeited by a Resolution of the Directors to that effect, and any such forfeiture shall extend to all Dividends declared in respect of the Share so forfeited but no actually paid before such forfeiture.

28. Any Shares so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of in such manner, either subject to or discharged from all Calls made or instalments due prior to the forfeiture, as the Directors think fit or the Directors may, at any time before such Shares are sold or otherwise disposed of annul the forfeiture upon such terms as they may approve. For the purpose of giving effect to any such sale or other disposition the Directors may authorize some person to transfer the Shares so sold or otherwise disposed of to the purchaser thereof or other person becoming entitled thereto.

29. Any person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of the forfeiture were presently payable by him to the Company in respect of the Shares, together with interest thereon at such rate, not exceeding Ten per centum per annum, as the Directors shall appoint down to the day of payment, but his liability shall cease if and when the Company receives payment in full in respect of such Shares. The Directors may, if they shall think fit, remit the payment of such interest or any part thereof.

30. When any Shares have been forfeited an entry shall forthwith be made in the Register recording the forfeiture and the date thereof, and as soon as the shares so forfeited have been sold or otherwise disposed of an entry shall also be made of the manner and date of the sale or disposal thereof.

Lien on Shares

31. The Company shall have a first and paramount lien upon all Shares held by any Member of the Company (whether alone or jointly with other persons) and upon all Dividends and Bonuses which may be declared in respect of such Shares, for all debts, obligations and liabilities of such Member to the Company: Provided always that if the Company shall register a transfer of any Shares upon which it has such a lien as aforesaid without giving to the transferee notice of its claim, the said Shares shall in default of agreement to the contrary between the Company and the transferee be freed and discharged from the lien of the Company.

32. The Directors may, at any time after the date for the payment or satisfaction of such debts, obligations, or liabilities shall have arrived, serve upon any Member who is indebted or under any obligation to the Company, or upon the person entitled to his Shares by reason of the death or bankruptcy of such Member, a notice requiring him to pay the amount due to the Company or satisfy the said obligation, and stating that if payment is not made or the said obligation is not satisfied within the time (not being less than fourteen days) specified in such notice, the shares held by such Member will be liable to be sold; and if such Member or the person entitled to his Shares as aforesaid, shall not comply with such notice within the time aforesaid the Directors may sell such Shares without further notice, and for the purpose of giving effect to any such sale the Directors may authorize some person to transfer the Shares so sold to the Purchaser thereof.

33. Upon any sale being made by the Directors of any Shares to satisfy the lien of the Company thereon the proceeds shall be applied: First, in the payment of all cost of such sale; next, in satisfaction of

the debts or obligations of the Member to Company; and the residue (if any) shall be paid to the person entitled to the Shares at the date of the sale or as he shall in writing direct.

34. Any entry in the Directors' Minutes Book of the forfeiture of any Share, or that any Share has been sold to satisfy a lien of the Company, shall be sufficient evidence as against all persons claiming to be entitled to such Shares that the said Shares were properly forfeited or sold; and such entry, the receipt of the Company for the price of such Shares, and the appropriate Share Certificate, shall constitute a good title to such Shares, and the name of the purchaser or other person entitled shall be entered in the Register as a Member of the Company, and he shall not be bound to see to the application of the purchase money, nor shall his title to the said Shares be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture or sale. The remedy (if any) of the former Holder of such Shares, and of any person claiming under or through him, shall be against the Company exclusively and in damages only.

Conversion of Shares into Stock, etc.

35. The Directors, with the sanction of an Ordinary Resolution of the Company in general meeting, may convert any paid-up Shares into stock, and may convert any stock into paid-up Shares of any denomination. When any Shares have been converted into stock, the several holders of such stock may, thenceforth, transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which the fully paid-up Shares in the Company's capital may be transferred, or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a Dollar shall not be dealt with, but with power, nevertheless, at their discretion to waive such rules in any particular case. The stock shall confer on the Holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company, and for other purposes, as would have been conferred by Shares of equal amount in the capital of the Company of the same class as the Shares from which such stock was converted, but so that none of such privileges or advantages, except the participation in profits of the Company, or in the assets of the Company on a winding-up, shall be conferred by any such aliquot part of stock as would not, if existing in Shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the Shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to Shares.

Alteration of Share Capital

36. The Company may by Ordinary Resolution increase the Capital by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amounts as the Resolution shall prescribe.

37. Subject to the provisions of Article 41 hereof, the new shares shall be issued upon such terms and conditions and with such rights, priorities, or privileges as the Resolution effecting the increase of Capital shall prescribe.

38. Subject to any directions to the contrary that may be given by the Resolution effecting the increase of Capital, any Capital raised by the creation of new Shares shall be considered as part of the original Capital, and shall be subject to the same provisions with reference to the payment of Calls and the forfeiture of Shares on non-payment of Calls, transfer and transmission of Shares, lien or otherwise, as if it had been part of the original Capital.

39. The Company may by Ordinary Resolution: -

- (a) Sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the Memorandum of Association: Provided that in the subdivision of an existing Shares the proportion between the amount paid and the amount (if any) unpaid on each reduced Share shall be the same as it was in the case of the Shares from which the reduced Share is derived;

- (b) Consolidate and subdivide its Capital or any part thereof into Shares of larger amount than its existing Shares;
- (c) 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.

40. The Company may by Special Resolution reduce its Share Capital and any Capital Redemption Reserve Fund in any manner allowed by law.

Modification of Rights

41. If at time the Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of Section 64 of the Ordinance, be modified, abrogated, or varied with the consent in writing of the Holders of three-fourths of the issued Shares of the class, or with the sanction of an Extraordinary Resolution passed at a separate General Meeting of the Holders of the Shares of the class. To every such separate General Meeting the provisions of these regulations relating to General Meetings shall mutatis mutandis apply, but so that at every such separate General Meeting (other than an adjourned Meeting) the quorum shall be two persons at least holding or representing by proxy one-third of the issued Shares of the class, and that any Holder of Shares of the class present in person or by proxy may determine a poll.

Borrowing Powers

42. The Directors may raise or borrow for the purpose of the Company's business such sum or sums of money as they think fit. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company, present and future, including its uncalled or unissued Capital, or by the issue, at such price as they may think fit, of Bonds, or Debentures, either charged upon the whole or any part of the property and assets of the Company or not so charged, or in such other way as the Directors may think expedient.

43. Any Bonds, Debentures, Debenture Stock or other securities issued or to be issued by the Company shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such considerations as they shall consider to be for the benefit of the Company.

44. The Company may, upon the issue of any Bonds, Debentures, Debenture Stock, or other securities, confer on the creditors of the Company holding the same, or on any trustees or other persons acting on their behalf, a voice in the management of the Company, whether by giving to them the right of attending and voting at General Meeting, or by empowering them to appoint one or more persons to be the Directors of the Company, or otherwise as may be agreed.

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

46. A Register of the Holders of the Debentures of the Company shall be kept at the Registered Office of the Company, and shall be open to the inspection of the Registered Holders of such Debentures and of any Member of the Company, subject to such restrictions as the Company in General Meeting may from time to time impose. The Directors may close such Register for such period or periods as they may think fit, not exceeding in the aggregate thirty days in each year.

General Meetings

47. A General Meeting of the Company shall be held in each calendar year at such time and place as the Directors shall appoint. In default of a General Meeting being so held a General Meeting may be convened by any two Members in the same manner as nearly as possible as that in which General Meetings are to be convened by the Directors. The aforesaid General Meetings shall be called "Ordinary General Meetings" all other General Meetings shall be called "Extraordinary General Meetings".

48. The Directors may, whenever they think fit, and they shall, upon a requisition made in writing by Members in accordance with Section 113 of the Ordinance, convene an Extraordinary General Meeting.

49. In the case of an Extraordinary General Meeting called in pursuance of a requisition, unless such Meeting shall have been called by the Directors, no business other than that stated in the requisition as the objects of the Meeting shall be transacted.

Notice of General Meetings

50. Subject to the provisions of Section 116(2) of the Ordinance relating to Special Resolutions, twenty- one days' notice at the least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given), specifying the place, the day, and the hour of Meeting, and in case of special business the general nature of such business, shall be given to the Members in manner hereinafter mentioned, or in such other manner (if any) as may be prescribed by the Company in General Meeting; but the accidental omission to give notice to any Member of such notice, shall not invalidate the proceedings at any General Meeting.

51. Notwithstanding the provisions of the last preceding Article, with the written consent of all the Members entitled to receive notice of some particular Meeting, that Meeting may be convened by less than seven days' notice, and in such manner as those Members may think fit.

Proceedings at General Meetings

52. The business of any Ordinary General Meeting shall be to receive and consider documents required by law to be attached or annexed to the balance sheets, to elect Directors the accounts and balance sheets, the reports of the Directors and Auditors, and any other in the place of those retiring, to elect Auditors and fix their remuneration, and to declare a Dividend. All other business transacted at an Ordinary General Meeting, and all business transacted at an Extraordinary General Meeting, shall be deemed special.

53. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the Meeting proceeds to business; and such quorum shall consist of not less than two Members personally present or by proxy.

54. If within half an hour from the time appointed for a General Meeting a quorum be not present the Meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place; and if at such adjourned Meeting a quorum be not present within half an hour from the time appointed for the Meeting it shall be adjourned sine die.

55. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting of the Company. If there be no such Chairman, or if at any Meeting he be not present within fifteen minutes after the time appointed for holding the Meeting, or is unwilling to act as Chairman, the Members present shall choose one of the Directors present to be Chairman; or if no Director be present and willing to take the chair the Members present shall choose one of their number to be Chairman.

56. The Chairman may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place; but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place, When a Meeting is adjourned for ten days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjourned Meeting or of the business to be transacted thereat.

57. Every question submitted to a General Meeting shall be determined in the first instance by a show of hands of the members present in person, but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the Chairman or by:-

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

Unless a poll is duly demanded in accordance with the foregoing provisions a declaration by the Chairman that a resolution has been carried or lost or has or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number, proportion or validity of the votes recorded in favour of or against such resolution.

58. If a poll be directed or demanded in the manner above mentioned it shall (subject to the provision of Article 60 hereof) be taken at such time and in such manner as the Chairman may appoint, and the result of such poll shall be deemed to be the Resolution of the Meeting at which the poll was directed or demanded.

59. In the case of an equality of votes at any General Meeting, whether upon a show of hands or on a poll, the Chairman shall be entitled to a second or casting vote, in case of any dispute as to the admission or rejection of any vote the Chairman shall determine the same, and such determination shall be final and conclusive.

60. A poll demanded upon the election of a Chairman or upon a question of adjournment shall be taken forthwith. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

Votes of Members

61. Subject to any special terms as to voting upon which any Shares may have been issued or may for the time being be held, upon a show of hands every Member present in person shall have one vote, and upon a poll every Member present in person or by proxy shall have one vote for every Share held by him.

61A. Where any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

62. If any Member be a person of unsound mind he may vote by his committee, receiver, curator bonis, or other legal curator.

63. No Member shall be entitled to be present or to vote at any General Meeting unless all Calls or other sums presently payable by him in respect of the Shares held by him in the Company have been paid.

64. On a poll votes may be given either personally or by proxy.

65. The instrument appointing a proxy shall be in writing under the hand of the appointor, or of his attorney duly authorized in writing, or if such appointor be a corporation either under its common seal or under the hands of an officer or attorney duly authorised.

65A. If a clearing house or a nominee of clearing house is a member of the Company, it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of members 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 under the provision of these Articles shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as the clearing house (or its nominee) could exercise if it were an individual member of the Company.

66. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time fixed for holding the Meeting or adjourned Meeting at which the person named in such instrument is authorized to vote, and in default the instrument of proxy shall not be treated as valid. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. A proxy need not be a Member of the Company.

67. An instrument appointing a proxy shall be in the following form, or in any other form of which the Directors shall approve: -

FAR EAST HOLDINGS INTERNATIONAL LIMITED
遠東控股國際有限公司

I, _____ of _____ being a Member of FAR EAST HOLDINGS INTERNATIONAL LIMITED 遠東控股國際有限公司 hereby appoint of _____ of _____, and failing him, _____ of _____, as my proxy to vote for me and on my behalf at the Ordinary (or Extraordinary, as the case may be) General Meeting of the Company to be held on the _____ day of _____ and at any adjournment thereof.

As witness my hand this _____ day of _____

Directors

68. Unless and until the Company in General Meeting shall otherwise determine the number of Directors shall be not less than three but there shall be no maximum number. The First Directors shall be appointed in writing by a majority of the subscribers of the Memorandum of Association.

69. A Director need not hold any Share in the Company.

70. The remuneration of the Directors shall be such sum or sums as the Company may in General Meeting from time to time determine. The Directors shall also be entitled to be paid their reasonable traveling and other expenses incurred in consequence of their attendance at Board Meetings and otherwise in the execution of their duties as Directors. Any Resolution of the Board reducing or postponing the time for payment of the Directors' remuneration shall bind all the Directors.

71. The Directors may award special remuneration out of the funds of the Company to any Director going or residing abroad in the interests of the Company, or undertaking any work additional to that usually required of Directors of a company similar to this.

Powers of Directors

72. (a) The business of the Company shall be managed by the Directors, who shall pay all expenses incurred in the formation and registration of the Company, and may exercise all such powers of the Company as are not by the Ordinance or by these Articles required to be exercised by the Company in General Meeting, subject, nevertheless, to any regulations of these Articles, to the provisions of the Ordinance, and to such regulations not being inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Directors 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 Directors 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 such premium as may be agreed.
- (ii) To give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary and such commission or salary shall be treated as part of the working expenses of the Company.

Disqualification of Directors

73. The Office of a Director shall be vacated:-

- (a) If he becomes bankrupt or insolvent or compound with his creditors;
- (b) If he is found lunatic or becomes of unsound mind;
- (c) If he be convicted of indictable offence;
- (d) If, he is requested in writing by all his co-directors to resign;
- (e) If he becomes prohibited from being a Director by reason of any order made under section 208 or 260 of the Ordinance;

- (f) If he gives the Company one month's notice in writing that he resigns his office.

But any act done in good faith by a Director whose office is vacated as aforesaid shall be valid unless, prior to the doing of such act, written notice shall have been served upon the Company or an entry shall have been made in the Director's Minutes Book stating that such Director has ceased to be a Director of the Company.

74. (a) A Director may hold any office of profit under the Company (other than that of Auditor) "in conjunction with the office of Directors, and may enter into contracts or arrangements or having dealings with the Company, and shall not be disqualified from office thereby, nor shall he be liable to account to the Company for any profit arising out of any such contract, arrangement, or dealing to which he is a party or in which he is interested by reason of his being at the same time a Director of the Company, nor shall he thereby be precluded from voting as a Director provided that such Director discloses to the Meeting of the Directors at which such contract, arrangement, or dealing is first taken into consideration, the nature of his interest therein, or if such interest is subsequently acquired, provided that he discloses the fact that he has acquired such interest at the next Meeting of the Directors held after such interest was acquired. A general notice given to the Directors by a Director to the effect that he is a Member of a specified company or firm, and is to be regarded as interested in any contract, arrangement, or dealing which may, after the date of the notice, be entered into or made with that company or firm, shall, for the purpose of this Article, be deemed to be a sufficient disclosure of interest in relation to any contract, arrangement, or dealing so entered into or made.

(b) Notwithstanding such disclosure is made in Article 74(a), a Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting, but this prohibition shall not apply to:

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

share incentive or share option scheme under which the Director or his associate(s) may benefit; or

- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (5) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

75. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as the number of Directors is reduced below the number fixed by or pursuant to the Regulations of the Company as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company, but for no other purpose. Any Director so appointed shall hold office only until the next following Annual General Meeting, 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.

Managing Director

76. The Directors may from time to time appoint one or more of their body to the office of Managing Director or Joint Managing Directors for such period and on such terms as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.

77. The remuneration of the Managing Director or Managing Directors shall (subject to the provisions of any agreement between him or them and the Company) from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on dividend, profits or turnover of the Company or of any other company in which the Company is interested, or by participation in any such profits, or by any or all of these modes.

78. The Directors may from time to time entrust to and confer upon a Managing Director or Joint Managing Directors for the time being such of the powers exercisable under these Presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient; and they may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Rotation of Directors

79. Subject to the provisions of these Articles at the Annual General Meeting in each year one- third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one- third, shall retire from office. A retiring Director shall retain office until the conclusion of the meeting or adjourned meeting at which he is due to retire.

80. Subject to the provisions of these Articles and until otherwise determined by the Company by Ordinary Resolution the Directors to retire in every year shall be the Directors who have been longest in

office since their last election or appointment. As between Directors of equal seniority, the Directors to retire shall (unless such Directors of equal seniority shall agree otherwise amongst themselves) be selected from among them by lot. A retiring Director shall be eligible for re- election.

81. (a) The Company at the Ordinary General Meeting at which any Director retires in manner aforesaid may fill up the vacated office, and may fill up any other offices which may then be vacant, by electing the necessary number of persons, unless the Company shall determine to reduce the number of Directors in office. The Company may also at any Extraordinary General Meeting, on notice duly given, fill up any vacancies in the office of Directors or appoint additional Directors.

(b) The minimum period required of notice to the Company of the intention to propose a person for election as a Director, and notice to the Company by such person of his willingness to be elected, will be at least seven days and that the period for lodgment of the notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

82. If at any General Meeting at which an election of Directors ought to take place, the places of the retiring Directors be not filled up, the retiring Directors, or such of them as have not had their places fill up shall continue in office until the Ordinary General Meeting in the next year, and so on from time to time until their places have been filled up, unless at any such Meeting it shall be determined to reduce the number of Directors in office.

Variation of Number of Directors

83. The Company may from time to time in General Meeting increase or reduce the number of Directors, and may also determine in what rotation if any such increased or reduced number is to go out of office.

84. The Directors shall have power at any time and from time to time to appoint any other person to be a Director of the Company, either to fill a casual vacancy or as an addition to the Board.

That any person appointed by the directors to fill a casual vacancy or as an addition to the board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re- election.

85. A Director may appoint any person who is approved by the majority of the Directors, to be an alternate (or substitute) Director to act in his place whenever he is abroad or unable to act as a Director and such appointment shall have effect during the continuance in office of such Director, and such appointee, whilst he holds office as an alternate Director, shall be entitled to notice of Meetings of the Directors, and to attend and vote thereat in the absence or incapacity of the Director in whose place he is appointed. A Director may at any time in writing revoke the appointment of an alternate appointed by him. An Alternate Director shall ipso facto cease to be an Alternate Director if his appointor resumes office or ceases for any reason to be a Director.

86. The Company may by an Ordinary Resolution remove any Director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office, and may by an Ordinary Resolution appoint another person in his stead. The person so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

Proceeding of Directors

87. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their Meetings as they think fit, and determine the quorum necessary for the transaction of business. Until otherwise determined two Directors shall constitute a quorum. Questions arising at any Meeting shall be

decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote, A Director may at any time summon a Meeting of the Directors. Notice of a Meeting of Directors need not be given to a Director-who is not in Hong Kong.

88. The Directors may elect a Chairman of their Meetings and determine the period for which he is to hold office; if no such Chairman be elected, or if at any Meeting the Chairman be not present within ten minutes after the time appointed for holding the same, the Directors present shall choose some one of their number to be Chairman of such Meeting.

89. A Resolution in writing signed by all the Directors for the time being in Hong Kong annexed or attached to the Directors' Minutes Book shall be as effective for all purposes as a Resolution of the Directors passed at a Meeting duly convened, held and constituted.

90. The Directors may delegate any of their powers to Committees consisting of such one or more of their body as they may think fit. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors. The regulations herein contained for the Meetings and proceedings of Directors shall, so far as not altered by any regulations made by the Directors, apply also the Meetings and proceedings of any Committee.

91. All acts done by any Meeting of the Directors or a Committee of Directors, or by any persons acting as Directors, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors 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.

General Managers

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

93. The appointment of such General Manager or General Managers may be for such period as the Directors may decide and the Directors may confer upon him or them all or any of the powers of the Directors as they may think fit.

94. For the purposes of Articles 92 and 93 hereof the Directors may enter into such Agreement or Agreements with any such General manager or General Managers upon such terms and conditions in all respects as the Directors may in their absolute discretion think fit, including a power for such General Manager or General Managers to appoint an Assistant General Manager or Assistant General Managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

Minutes

95. The Directors shall cause Minutes to be made in books provided for the purpose:-

- (a) Of all appointments of officers made by the Directors;
- (b) Of the names of the Directors present at each Meeting of the Directors and of any Committee of the Directors;
- (c) Of all resolutions and proceedings at all Meetings of the Company and of Directors and of Committees of Directors.

And any such minutes of the Directors or of the Company, if purporting to be signed by the Chair-

man of such Meeting, or by the Chairman of the next succeeding Meeting, shall be receivable as prima facie evidence of the matters stated in such minutes. Until the contrary is proved, every General Meeting of the Company or Meeting of the Directors in respect of the proceedings of which the minutes have been so made, shall be deemed to have been duly convened and held, and all proceedings thereat shall be valid.

The Seal

96. The Board shall provide for the safe custody of the Seal, and the Seal shall never be used except by the authority of the Board previously given, and two Directors of whom one must be either the Chairman of Directors or a Managing Director or any two persons appointed by the Board shall sign every instrument to which the Seal is affixed but so that the Directors may by resolution determine, either generally or in any particular case, that the signatures of either the Chairman of Directors or the Managing Director and the Directors or persons appointed by the Board may be affixed to or reproduced on any document or documents by some mechanical means to be specified in such resolution, or one or more of such signatures may be entirely dispensed with, provided that entirely dispensing with one or more signatures shall only be permitted in connection with the use of the Company's Seal on Share Certificates or Debentures. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Directors previously given.

Cheques, etc.

97. All cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, shall be made, signed, drawn, accepted and endorsed, otherwise executed by any person or persons from time to time authorised by a Resolution of the Directors and the signatures of such person or persons may be affixed to or reproduced on such cheques, promissory notes, drafts, bills of exchange, contracts and other negotiable instruments by some mechanical means to be specified in such Resolution.

Dividends

98. Subject to the rights of the Holders of any Shares entitled to any priority, preference, or special privileges, all Dividends shall be declared and paid to the Members in proportion to the amounts paid up on the Shares held by them respectively. No amount paid on a Share in advance of Calls shall, while carrying interests, be treated for the purpose of this Article as paid on the Share.

99. The Directors may if they think fit from time to time determine the amount of Dividends (if any) to be paid by the Company. If the Directors think fit they may from time to time make a recommendation as to the amount (if any) which they consider ought to be paid by way of Dividend and the Company may thereafter declare the amount of the Dividend to be paid but such Dividend shall not exceed the amount recommended by the Directors.

100. No Dividend shall be paid otherwise than out of the profits of the Company.

101. The Directors may from time to time pay to the Members, or any class of Members such interim Dividends as appear to the Directors to be justified by the profits of the Company.

102. The Directors may deduct from the Dividends payable to any Member all such sums of money as may be due from him to the Company on account of Calls or otherwise.

103. Notice of any Dividend that may have been declared shall be given to each Member in the manner in which notices of General Meetings are given to the Members.

104. The Company may transmit any Dividend or Bonus payable in respect of any Share by ordinary post to the registered or other recorded address of the Holders or, in the case of joint Holders, the first named person in the Register of Members in respect of such Share (unless he shall have given written instructions to the contrary) and shall not be responsible for any loss arising in respect of such transmission.

105. No Dividend shall bear interest as against the Company.

106. The Directors may, with the sanction of the Company in General Meeting, distribute in kind among the Members by way of Dividend any of the assets of the Company, and in particular any Shares or securities of other companies to which this Company is entitled. Whenever there are sufficient profits, instead of dividing the same in cash the Director may, with the like sanction, issue to the Members Shares in the Company, and apply the said profits in paying up the same, or may issue to the Members securities of the Company to an amount not exceeding the profits available for distribution; Provided always that no distribution shall be made which would amount to a reduction of Capital except in the manner approved by law. Where requisite, a contract shall be filed in accordance with Section 45 of the Ordinance, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the Dividends, and such appointment shall have effect accordingly.

107. All Dividends or Bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefits of the Company until claim and all Dividends or Bonuses unclaimed for six years after having been declared may be forfeited by the Directors for the benefit of the Company.

Untraceable Members

108. (a) If a dividend warrant for any share is left uncashed on two consecutive occasions or if such a warrant is returned undelivered to the Company, the Directors may determine to cease sending dividend warrants to the Members holding such share.

(b) The Directors may determine to sell the shares of a Member who is untraceable if:

- (i) during a period of twelve years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and
- (ii) on expiry of the twelve years the Company gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies The Stock Exchange of Hong Kong Limited of such intention.

Reserve Fund

109. Before determine recommending a Dividend, the Directors may set aside any part of the net profits of the Company to a Reserve Fund, and may apply the same either by employing it in the business of the Company or by investing it in such manner (subject to Article 3 hereof) as they shall think fit and the income arising from such Reserve Fund shall be treated as part of the gross profits of the Company. Such Reserve Fund may be applied for the purpose of maintaining the property of the Company, replacing wasting assets, meeting contingencies, forming an Insurance Fund, equalising Dividends, paying special Dividends or Bonuses, or for any other purposes for which the net profits of the Company may lawfully be used, and until the same shall be so applied it shall be deemed to remain undivided profit. The Directors may also carry forward to the accounts of the succeeding year or years any profit or balance of profit which they shall not think fit to divide or to place to reserve.

110. (a) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions applicable under the terms and conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provision shall apply: -

- (1) as from the date of such act or transaction the Company shall establish and thereafter

(subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the "Subscription Right Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalized and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (3) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;

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

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

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

the issue of such certificate,

(b) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights and so that whether any (and, if so, what) fraction of a share arises shall be determined according to the provisions applicable under the terms and conditions of the warrants or, in the absence of any such provisions, pursuant to paragraph (c) of this Article.

(c) A certificate or report by the Auditors as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as full paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

Accounts

111. The Directors shall cause true account to be kept-

- (a) Of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place;
- (b) Of all sales and purchases of property, goods and chattels by the Company;
- (c) Of the assets and liabilities of the Company.

112. The Books of Account shall be kept at the Registered Office of the Company in Hong Kong and shall always be open to the inspection of the Directors. The Directors may from time to time by Resolution determine whether and to what extent, and at what times and places in Hong Kong and on what conditions the books and accounts of the Company, or any of them shall open to the inspection of the Members (not being Directors) and the Members shall have only such rights of inspection as are given to them by the Ordinance or by such Resolution as aforesaid.

113. At the Ordinary General Meeting in every year the Directors shall lay before the Company a Profit and Loss Account for the period since the preceding account or (in the case of the first Ordinary General Meeting) since the incorporation of the Company, made up to a date not more than nine months before such Meeting.

114. A Balance Sheet shall be made out and laid before the Company at the Ordinary General Meeting in every year, as at the date to which the Profit and Loss Account is made up. There shall be attached or annexed to each such Balance Sheet such documents as are required by law to be attached or annexed thereto, including the Auditors' Reports and a Report of the Directors with respect to the state of the Company's affairs, the amount (if any) which the Directors recommend should be paid by way of Dividend, and the amount (if any) which they propose to carry to the Reserve Fund, General Reserve, or Reserve Account shown specifically on the Balance Sheet or to be shown specifically on a subsequent Balance Sheet. The Auditors' Report shall be read at the Meeting and shall be open to inspection as required by Section 128 of the Ordinance.

115. A copy of the Balance Sheet and Reports and such other documents as aforesaid shall, not less than twenty-one days previously to the Meeting at which such Balance Sheet, Reports, and documents are to be laid before the Company as aforesaid, be served on every Member entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served.

Auditors

116. Auditors shall be appointed and their duties regulated in the manner provided by Sections 131, 140 and 141 of the Ordinance.

117. A notice may be served by the Company upon any Member either personally or by sending it through the post addressed to such Member at his registered address or by advertisement in one or more newspaper circulating in the Hong Kong.

118. Any Member whose registered address is not within Hong Kong may by notice in writing require the Company to register an address with Hong Kong which, for the purpose of the service of notices, shall be deemed to be his registered address. However, this will not prohibit the Member who has no registered address within Hong Kong, and has not given notice as aforesaid to receive any notice from time to time given by the Company.

119. Any notice sent by post shall be deemed to have been served at the expiration of twenty- four hours after the same shall have been posted; and in proving such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and stamped and put into the post office.

Discovery of Secrets

120. No Member shall be entitled to require or receive any information concerning the business, trading or customers of the Company, or any trade secret or secret process of or used by the Company, beyond such information as to the accounts and business of the Company as is by these Presents or by the Ordinance directed to be laid before the Company in General Meeting, and no Member shall be entitled to inspection or any of the books, papers, correspondences, or documents of the Company except in- so- far as such inspection is authorised by these Presents or by the Ordinance.

Arbitration

121. If and whenever any difference shall arise between the Company and any of the Members or their respective representatives touching the construction of any of the Articles herein contained, or any act, matter or thing made or done, or to be made or done, or omitted, or in regard to the rights and liabilities arising hereunder, or arising out of the relation existing between the parties by reason of these Presents or of the Ordinance, such difference shall be forthwith referred to two Arbitrators - one to be appointed by each party in difference - or to an Umpire to be chosen by the Arbitrators before entering on the consideration of the matters referred to them, and every such reference shall be conducted in accordance with the provisions of the Arbitration Ordinance.

Winding- Up

122. If the Company shall be wound up, the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall be applied: First in repaying to the Members the amounts paid up on the Shares held by them respectively; and the balance (if any) shall be distributed among the Members in proportion to the number of Shares held by them respectively: Provided always that the provisions hereof shall be subject to the rights of the holders of Shares (if any) issued upon special conditions.

123. In a winding- up any part of the assets of the Company, including any Shares in or securities of other companies, may, with the sanction of an Extraordinary' Resolution of the Company, be divided among the Members of the Company in specie, or may be vested in trustees for the benefit of such Members, and the liquidation of the Company may be closed and the Company dissolved, but so that no Member shall be compelled to accept any Shares whereon there is any liability.

Capitalization of Profits

124. The Company in General Meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of the Profit and Loss Account or otherwise available for distribution and not required for the payments or provision of the fixed Dividend on any Shares (if any) entitled to fixed preferential Dividends, 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 proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any Shares held by such Members respectively or paying up in full unissued Shares or Debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such Members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such Resolution:

Provided that a Share Premium Account and a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid Bonus Shams.

125. Whenever such a Resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully- paid Shares or Debentures, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Directors to make such provision by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of Shares or Debentures becoming distributable in fractions, and also to authorise any person to enter on behalf of all Members entitled thereto into an agreement with the Company providing for the allotment to the shareholders respectively, credited as fully paid up, of any further Shares or Debentures to which they may be entitled on such capitalization, 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 capitalized, of the amounts or any part of the amounts remaining unpaid on their existing Shares, and any agreement made under such authority shall be effective and binding on all such Members.

Names, Addresses and Descriptions of Subscribers

(Sd.) K. S. CHENG
(CHENG KWEI SHENG 鄭桂生)
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Hong Kong.
Merchant

(Sd.) K. L. KUNG
(KUNG KA- LUEN 龔家麟)
Flat 6D, Garden Mansion,
No. 154, Austin Road,
Kowloon.
Merchant

Dated the 22nd day of November, 1972.

WITNESS to the above signatures:

(Sd.) VINCENT CHEUNG
Solicitor,
Hong Kong