

**MEMORANDUM OF ASSOCIATION**

**AND**

**NEW BYE-LAWS**

(approved by Special Resolution passed on 11th September, 1989  
and last amended by Special Resolution passed on 9th June, 2010)

**OF**

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

(Incorporated in Bermuda with limited liability)

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Incorporated the 10th day of April, 1989.

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This constitutional document is a consolidated version not formally adopted by shareholders at a general meeting. The Chinese version thereof is for reference only. In case of any inconsistency, the English version shall prevail.

**CERTIFICATE OF INCORPORATION**  
**ON CHANGE OF NAME**

I hereby certify that

**CLANMORE LTD.**

having by resolution and with the approval of the Registrar of Companies changed its name, is now registered under the name of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

Given under my hand the 6th day of July, 1989.



(Sd.) Pamela L. Adams  
for Acting Registrar of Companies

## **CERTIFICATE OF INCORPORATION**

I hereby in accordance with the provisions of section 14 of the Companies Act, 1981, issue this Certificate of Incorporation and do certify that on the 10th day of April, 1989

### **CLANMORE LTD.**

was registered by me in the Register maintained by me under the provisions of the said section and that the status of the said company is that of an exempted company.

Given under my hand this 10th day of April, 1989.



(Sd.) Pamela L. Adams  
Acting Registrar of Companies

**CERTIFICATE OF DEPOSIT OF  
MEMORANDUM OF INCREASE OF SHARE CAPITAL**

**THIS IS TO CERTIFY** that a Memorandum of Increase of Share Capital  
of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was delivered to the Registrar of Companies on the **4th of August, 2004** in accordance  
with section 45(3) of *the Companies Act 1981* (“the Act”).



Given under my hand and Seal of the  
REGISTRAR OF COMPANIES this  
**11th day of August, 2004**

(Sd.) Maria Boodram  
for **Registrar of Companies**

Capital prior to increase: HK\$ 100,000,000.00  
US\$ 167,480.00

Amount of increase: HK\$ 100,000,000.00

Present Capital: HK\$ 200,000,000.00  
US\$ 167,480.00

**CERTIFICATE OF DEPOSIT OF  
MEMORANDUM OF INCREASE OF SHARE CAPITAL**

**THIS IS TO CERTIFY** that a Memorandum of Increase of Share Capital of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was delivered to the Registrar of Companies on the **29th** day of **October, 2002** in accordance with section 45(3) of *the Companies Act 1981* (“the Act”).



Given under my hand and Seal of the  
REGISTRAR OF COMPANIES this  
**5th** day of **November, 2002**

(Sd.) Pamela L. Adams  
for **Registrar of Companies**

Capital prior to increase: HK\$ 40,287,725.03  
US\$ 167,480.00

Amount of increase: HK\$ 59,712,274.97

Present Capital: HK\$ 100,000,000.00  
US\$ 167,480.00

**NOTIFICATION OF  
DIMINUTION OF AUTHORISED BUT UNISSUED  
SHARE CAPITAL**

**THIS IS TO CERTIFY** that a Diminution of Authorised but Unissued Share Capital  
of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was delivered to the Registrar of Companies on the **29th** day of **October, 2002** in  
accordance with section 45(1)(f) of *the Companies Act 1981* (“the Act”).



Given under my hand and Seal of the  
REGISTRAR OF COMPANIES this  
**5th** day of **November, 2002**

(Sd.) Pamela L. Adams  
for **Registrar of Companies**

Authorised Share Capital before Cancellation: HK\$ 600,000,000.00  
US\$ 3,000,000.00

Share Capital after Cancellation: HK\$ 40,287,725.03  
US\$ 167,480.00

**CERTIFICATE OF DEPOSIT OF MEMORANDUM OF  
REDUCTION OF ISSUED SHARE CAPITAL**

**THIS IS TO CERTIFY** that a Memorandum of Reduction of Issued Share Capital  
of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was delivered to the Registrar of Companies on the **29th** day of **October, 2002** in  
accordance with section 46 of *the Companies Act 1981* (“the Act”).



Given under my hand and Seal of the  
REGISTRAR OF COMPANIES this  
**5th** day of **November, 2002**

(Sd.) Pamela L. Adams  
for **Registrar of Companies**

Issued Share Capital prior to reduction:	<u>HK\$ 402,877,250.30</u> <u>US\$ 167,480.00</u>
Present Issued Share Capital:	<u>HK\$ 40,287,725.03</u> <u>US\$ 167,480.00</u>
Authorised Share Capital:	<u>HK\$ 600,000,000.00</u> <u>US\$ 3,000,000.00</u>

THE COMPANIES ACT 1981  
**CERTIFICATE OF DEPOSIT OF  
MEMORANDUM OF INCREASE OF SHARE CAPITAL**

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital

of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was deposited in the Office of the Registrar of Companies

on the

4th day of January, 1994

**IN WITNESS WHEREOF I have  
hereto set my hand this**

4th day of January, 1994

(Sd.) Pamela Adams  
for Registrar of Companies

Capital prior to increase	<u>HK\$ 400,000,000.00</u>
Amount of increase	<u>HK\$ 200,000,000.00</u> <u>US\$ 3,000,000.00</u>
Present Capital	<u>HK\$ 600,000,000.00</u> <u>US\$ 3,000,000.00</u>



THE COMPANIES ACT 1981  
**CERTIFICATE OF DEPOSIT OF  
MEMORANDUM OF INCREASE OF SHARE CAPITAL**

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital

of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was deposited in the Office of the Registrar of Companies

on the

10th day of October, 1991

**IN WITNESS WHEREOF I have  
hereto set my hand this**

10th day of October, 1991

(Sd.) Pamela L. Adams  
for Registrar of Companies

Capital prior to increase	<u>HK\$ 300,000,000.00</u>
Amount of increase	<u>HK\$ 100,000,000.00</u>
Present capital	<u>HK\$ 400,000,000.00</u>

THE COMPANIES ACT 1981

**CERTIFICATE OF DEPOSIT OF**

**MEMORANDUM OF INCREASE OF SHARE CAPITAL**

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital

of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was deposited in the Office of the Registrar of Companies

on the

31st day of July, 1990

**IN WITNESS WHEREOF I have  
hereto set my hand this**

31st day of July, 1990

(Sd.) Verbena Daniels  
Registrar of Companies

Capital prior to increase HK\$ 150,000,000.00

Amount of increase HK\$ 150,000,000.00

Present capital HK\$ 300,000,000.00

THE COMPANIES ACT 1981

**CERTIFICATE OF DEPOSIT OF**

**MEMORANDUM OF INCREASE OF SHARE CAPITAL**

THIS IS TO CERTIFY that a Memorandum of Increase of Share Capital

of

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**

was deposited in the Office of the Registrar of Companies

on the

11th day of October, 1989

**IN WITNESS WHEREOF I have  
hereto set my hand this**

11th day of October, 1989

(Sd.) Pamela L. Adams  
for Registrar of Companies

Capital prior to increase    HK\$ 100,000.00

Amount of increase        HK\$ 149,900,000.00

Present capital              HK\$ 150,000,000.00

Stamp Duty Paid        BD\$ 47,968.00

**THE COMPANIES ACT 1981**

**CONSENT**

**Pursuant to section 6 (1)**

In exercise of the powers conferred upon him by section 6 (1) of the Companies Act 1981, the Minister of Finance hereby gives his consent to

**CLANMORE LTD.**

to be registered as an exempted Company under the Companies Act 1981, subject to the provisions of the said Act.

Dated this 3rd day of April, 1989.

(Sd.) David J. Saul  
Minister of Finance

**THE COMPANIES ACT 1981**

**(Section 7(1) and (2))**

**MEMORANDUM OF ASSOCIATION OF  
COPMPAY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED  
(formerly known as ‘Clanmore Ltd.’)**

(hereinafter referred to as “the Company”)

1. The liability of the members of the Company is limited to the amount (if any) for the time being unpaid on the shares respectively held by them.
2. We, the undersigned, namely,

<b>NAME</b>	<b>ADDRESS</b>	<b>BERMUDIAN NATIONALITY STATUS (Yes/No)</b>	<b>NUMBER OF SHARES SUBSCRIBED</b>
Peter Bubenzer Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda.		Yes	British 1
Ruby L. Rawlins Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda.		Yes	British 1
Marcia DeCouto Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda.		Yes	British 1
Sally Ann Dowling Cedar House 41 Cedar Avenue Hamilton HM 12 Bermuda.		Yes	British 1

do hereby respectively agree to take such number of shares of the Company as may be allotted to us respectively by the provisional directors of the Company, not exceeding the number of shares for which we have respectively subscribed, and to satisfy such calls as may be made by the directors, provisional directors or promoters of the Company in respect of the shares allotted to us respectively.

3. The Company is to be an exempted Company as defined by the Companies Act 1981.
4. The Company has power to hold land situated in Bermuda not exceeding in all, including the following parcels –

**Not Applicable**

5. The Company does not propose to carry on business in Bermuda.
- \*6. The authorised share capital of the Company is HK\$300,000,000 divided into 3,000,000,000 shares of HK\$0.10 each. The minimum subscribed share capital of the Company is \$100,000 in Hong Kong currency.
7. The objects for which the Company is formed and incorporated are –
  - (i) To carry on the business of a holding company in all its branches and to co-ordinate the policy and administration of any subsidiary company or companies or of any group of companies of which the Company or any subsidiary company is a member or which are in any manner controlled by the Company;
  - (ii) To enter into any guarantee, contract of indemnity or suretyship and to assure, support or secure with or without consideration or benefit the performance of any obligations of any person or persons and to guarantee the fidelity of individuals filing or about to fill situations of trust or confidence;  
  
Provided that this shall not be construed as authorising the Company to carry on the business of banking as defined in The Bank Act, 1969 or the business of wholesale banking or financial guarantee business or the business of promissory note operations.
  - (iii) As set forth in paragraphs (b) to (n) and (p) to (t) inclusive of the Second Schedule of the Companies Act 1981.
8. The Company has the powers set out in the First Schedule to the Companies Act 1981 (excluding the power set out in paragraph 1 thereof) and the additional powers set out in the Schedule annexed hereto.

Signed by each subscriber in the presence of at least one witness attesting the signature thereof –

(Sd.) Peter Bubenzer

(Sd.) Sadie Cameron

(Sd.) Ruby L. Rawlins

(Sd.) Sadie Cameron

(Sd.) Marcia DeCouto

(Sd.) Sadie Cameron

(Sd.) Sally Ann Dowling

(Sd.) Sadie Cameron

(Subscribers)

(Witnesses)

**SUBSCRIBED** this 22nd day of March, 1989.

\*Notes:–

- (1) By an Ordinary Resolution passed on 11th September, 1989, the initial authorised capital of the Company was increased from HK\$100,000 to HK\$150,000,000 by the creation of 1,499,000,000 additional shares of HK\$0.10 each.
- (2) By an Ordinary Resolution passed on 28th June, 1990, the authorised capital of the Company was increased from HK\$150,000,000 to HK\$300,000,000 by the creation of 1,500,000,000 additional shares of HK\$0.10 each.
- (3) By an Ordinary Resolution passed on 27th September, 1991, the authorised share capital of the Company was increased from HK\$300,000,000 divided into 3,000,000,000 shares of HK\$0.10 each to HK\$400,000,000 divided into 4,000,000,000 shares of HK\$0.10 each by the creation of 1,000,000,000 additional shares of HK\$0.10 each in the capital of the Company.
- (4) By a Special Resolution passed on 3rd December, 1993, each of the existing shares of HK\$0.10 in the capital of the Company (issued and unissued) were redesignated as “Ordinary Shares of HK\$0.10 each”, and the authorised share capital of the Company was increased from HK\$400,000,000 divided into 4,000,000,000 Ordinary Shares of HK\$0.10 each to HK\$600,000,000 divided into 6,000,000,000 Ordinary Shares of HK\$0.10 each and US\$3,000,000 divided into 300,000 Convertible Cumulative Redeemable Preference Shares of US\$10 each by the creation of an additional 2,000,000,000 Ordinary Shares of HK\$0.10 each and 300,000 Convertible Cumulative Redeemable Preference Shares of US\$10 each in the capital of the Company.
- (5) Pursuant to a Special Resolution passed on 18th September, 2002 approving the capital reorganisation of the Company (the “Capital Reorganisation”), including, inter alia, the following changes in the share capital of the Company, which subsequently became effective on 16th October, 2002 (the “Effective Date”):-
  - (i) the nominal value of each of the issued Ordinary Shares in the capital of the Company as at the Effective Date was reduced from HK\$0.10 to HK\$0.01;
  - (ii) all of the authorised but unissued share capital of the Company as at the Effective Date was cancelled (the “Diminution”); and

- (iii) forthwith upon the Diminution, the authorised ordinary share capital of the Company was increased to HK\$100,000,000 by the creation of an additional 5,971,227,497 Ordinary Shares with nominal value of HK\$0.01 each.

Accordingly, following the Capital Reorganisation becoming effective on the Effective Date, the authorised share capital of the Company was changed to comprise (i) HK\$100,000,000 divided into 10,000,000,000 Ordinary Shares of HK\$0.01 each; and (ii) US\$167,480 divided into 16,748 Convertible Cumulative Redeemable Preference Shares of US\$10 each.

- (6) By an Ordinary Resolution passed on 19th July, 2004, the authorised capital of the Company was increased from HK\$100,000,000 divided into 10,000,000,000 Ordinary Shares of HK\$0.01 each and US\$167,480 divided into 16,748 Convertible Cumulative Redeemable Preference Shares of US\$10 each to HK\$200,000,000 divided into 20,000,000,000 Ordinary Shares of HK\$0.01 each and US\$167,480 divided into 16,748 Convertible Cumulative Redeemable Preference Shares of US\$10 each, by the creation of an additional 10,000,000,000 new Ordinary Shares of HK\$0.01 each in the capital of the Company.
- (7) Pursuant to an Ordinary Resolution passed on 22nd October, 2008, every 10 then existing issued and unissued Ordinary Shares of HK\$0.01 each in the share capital of the Company were consolidated into one Ordinary Share of HK\$0.10 (the “Share Consolidation”) effective on 23rd October, 2008.

Accordingly, upon the Share Consolidation becoming effective, the authorised share capital of the Company was changed to comprise (i) HK\$200,000,000 divided into 2,000,000,000 Ordinary Shares of HK\$0.10 each; and (ii) US\$167,480 divided into 16,748 Convertible Cumulative Redeemable Preference Shares of US\$10 each.



# THE COMPANIES ACT 1981

## (Section 11(2))

### SECOND SCHEDULE

#### (referred to in Clause 7 (iii) of the Memorandum of Association)

A company may by reference include in its memorandum any of the following objects that is to say the business of –

- (a) insurance and re-insurance of all kinds;
- (b) packaging of goods of all kinds;
- (c) buying, selling and dealing in goods of all kinds;
- (d) designing and manufacturing of goods of all kinds;
- (e) mining and quarrying and exploration for metals, minerals, fossil fuels and precious stones of all kinds and their preparation for sale or use;
- (f) exploring for, the drilling for, the moving, transporting and refining petroleum and hydro carbon products including oil and oil products;
- (g) scientific research including the improvement, discovery and development of processes, inventions, patents and designs and the construction, maintenance and operation of laboratories and research centres;
- (h) land, sea and air undertakings including the land, ship and air carriage of passengers, mails and goods of all kinds;
- (i) ships and aircraft owners, managers, operators, agents, builders and repairers;
- (j) acquiring, owning, selling, chartering, repairing or dealing in ships and aircraft;
- (k) travel agents, freight contractors and forwarding agents;
- (l) dock owners, wharfingers, warehousemen;
- (m) ship chandlers and dealing in rope, canvas oil and ship stores of all kinds;
- (n) all forms of engineering;
- (o) developing, operating, advising or acting as technical consultants to any other enterprise or business;
- (p) farmers, livestock breeders and keepers, graziers, butchers, tanners and processors of and dealers in all kinds of live and dead stock, wool, hides, tallow, grain, vegetables and other produce;
- (q) acquiring by purchase or otherwise and holding as an investment inventions, patents, trade marks, trade names, trade secrets, designs and the like;
- (r) buying, selling, hiring, letting and dealing in conveyances of any sort;

- (s) employing, providing, hiring out and acting as agent for artists, actors, entertainers of all sorts, authors, composers, producers, directors, engineers and experts or specialists of any kind; and
- (t) to acquire by purchase or otherwise hold, sell, dispose of and deal in real property situated outside Bermuda and in personal property of all kinds wheresoever situated.

# THE COMPANIES ACT 1981

## (Section 11(1))

### FIRST SCHEDULE

#### (referred to in Clause 8 of the Memorandum of Association)

A company limited by shares may exercise all or any of the following powers subject to any provision of the law or its memorandum –

1. to carry on any other business capable of being conveniently carried on in connection with its business or likely to enhance the value of or making profitable any of its property or rights;
2. to acquire or undertake the whole or any part of the business, property and liabilities of any person carrying on any business that the company is authorized to carry on;
3. to apply for register, purchase, lease, acquire, hold, use, control, licence, sell, assign or dispose of patents, patent rights, copyrights, trade marks, formulae, licences, inventions, processes, distinctive marks and similar rights;
4. 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 carrying on or engaged in or about to carry on or engage in any business or transaction that the company is authorized to carry on or engage in or any business or transaction capable of being conducted so as to benefit the company;
5. to take or otherwise acquire and hold securities in any other body corporate having objects altogether or in part similar to those of the company or carrying on any business capable of being conducted so as to benefit the company;
6. subject to section 96 to lend money to any employee or to any person having dealings with the company or with whom the company proposes to have dealings or to any other body corporate any of whose shares are held by the company;
7. to apply for, secure or acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, licence, power authority, franchise, concession, right or privilege, that any government or authority or any body corporate or other public body may be empowered to grant, and pay for, aid in and contribute toward carrying it into effect and to assume any liabilities or obligations incidental thereto;
8. to establish and support or aid in the establishment and support of associations, institutions, funds or trusts for the benefit of employees or former employees of the company or its predecessors, or the dependents or connections of such employees or former employees, and grant pensions and allowances, and make payments towards insurance or for any object similar to those set forth in this paragraph, and to subscribe or guarantee money for charitable, benevolent, educational or religious objects or for any exhibition or for any public, general or useful objects;
9. to promote any company for the purpose of acquiring or taking over any of the property and liabilities of the company or for any other purpose that may benefit the company;
10. to purchase, lease, take in exchange, hire or otherwise acquire any personal property and any rights or privileges that the company considers necessary or convenient for the purposes of its business;

11. to construct, maintain, alter, renovate and demolish any buildings or works necessary or convenient for its objects;
12. to take land in Bermuda by way of lease or letting agreement for a term not exceeding twenty-one years, being land "bonafide" required for the purposes of the business of the company and with the consent of the Minister granted in his discretion to take land in Bermuda by way of lease or letting agreement for a similar period in order to provide accommodation or recreational facilities for its officers and employees and when no longer necessary for any of the above purposes to terminate or transfer the lease or letting agreement;
13. except to the extent, if any, as may be otherwise expressly provided in its incorporating Act or memorandum and subject to the provisions of this Act every company shall have power to invest the moneys of the Company by way of mortgage of real or personal property of every description in Bermuda or elsewhere and to sell, exchange, vary, or dispose of such mortgage as the company shall from time to time determine;
14. to construct, improve, maintain, work, manage, carry out or control any roads, ways, tramways, branches or sidings, bridges, reservoirs, watercourses, wharves, factories, warehouses, electric works, shops, stores and other works and conveniences that may advance the interests of the company and contribute to, subsidize or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof;
15. to raise and assist in raising money for, and aid by way of bonus, loan, promise, endorsement, guarantee or otherwise, any person and guarantee the performance or fulfilment of any contracts or obligations of any person, and in particular guarantee the payment of the principal of and interest on the debt obligations of any such person;
16. to borrow or raise or secure the payment of money in such manner as the company may think fit;
17. to draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants and other negotiable or transferable instruments;
18. when properly authorized to do so, to sell, lease, exchange or otherwise dispose of the undertaking of the company or any part thereof as an entirety or substantially as an entirety for such consideration as the company thinks fit;
19. to sell, improve, manage, develop, exchange, lease, dispose of, turn to account or otherwise deal with the property of the company in the ordinary course of its business;
20. to adopt such means of making known the products of the company as may seem expedient, and in particular by advertising, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes and rewards and making donations;
21. to cause the company to be registered and recognized in any foreign jurisdiction and designate persons therein according to the laws of that foreign jurisdiction or to represent the company and to accept service for and on behalf of the company of any process or suit;
22. to allot and issue fully-paid shares of the company in payment or part payment of any property purchased or otherwise acquired by the company or for any past services performed for the company;
23. to distribute among the members of the company in cash, kind, specie or otherwise as may be resolved, by way of dividend, bonus or any other manner considered advisable, any property of the company, but not so as to decrease the capital of the company unless the distribution is made for the purpose of enabling the company to be dissolved or the distribution, apart from this paragraph, would be otherwise lawful;

24. to establish agencies and branches;
25. to take or hold mortgages, hypothecs, liens and charges to secure payment of the purchase price, or of any unpaid balance of the purchase price, of any part of the property of the company of whatsoever kind sold by the company, or for any money due to the company from purchasers and others and to sell or otherwise dispose of any such mortgage, hypothec, lien or charge;
26. to pay all costs and expenses of or incidental to the incorporation and organization of the company;
27. to invest and deal with the moneys of the company not immediately required for the objects of the company in such manner as may be determined;
28. to do any of the things authorized by this subsection and all things authorized by its memorandum as principals, agents, contractors, trustees or otherwise, and either alone or in conjunction with others;
29. to do all such other things as are incidental or conducive to the attainment of the objects and the exercise of the powers of the company.

Every company may exercise its powers beyond the boundaries of Bermuda to the extent to which the laws in force where the powers are sought to be exercised permit.

## The Schedule

### (referred to in Clause 8 of the Memorandum of Association)

- (a) To borrow and raise money in any currency or currencies and to secure or discharge any debt or obligation in any matter and in particular (without prejudice to the generality of the foregoing) by mortgages of or charges upon all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or by the creation and issue of securities.
- (b) To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company or both such methods or in any other manner, the performance of any obligations or commitments, of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any securities or liabilities of, any person including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company or otherwise associated with the Company.
- (c) To accept, draw, make, create, issue, execute, discount, endorse, negotiate bills of exchange, promissory notes, and other instruments and securities, whether negotiable or otherwise.
- (d) To sell, exchange, mortgage, charge, let on rent, share of profit, royalty or otherwise, grant licences, easements, options, servitudes and other rights over, and in any other manner deal with or dispose of, all or any part of the undertaking, property and assets (present and future) of the Company for any consideration and in particular (without prejudice to the generality of the foregoing) for any securities.
- (e) To issue and allot securities of the Company for cash or in payment or part payment for any real or personal property purchased or otherwise acquired by the Company or any services rendered to the Company or as security for any obligation or amount (even if less than the nominal amount of such securities) or for any other purpose.
- (f) To grant pensions, annuities, or other allowances, including allowances on death, to any directors, officers or employees or former directors, officers or employees of the Company or any company which at any time is or was a subsidiary or a holding company or another subsidiary of a holding company of the Company or otherwise associated with the Company or of any predecessor in business of any of them, and to the relations, connections or dependants of any such persons, and to other persons whose service or services have directly or indirectly been of benefit to the Company or whom the Company considers have any moral claim on the Company or to their relations, connections or dependants, and to establish or support any associations, institutions, clubs, schools, building and housing schemes, funds and trusts, and to make payments toward insurance or other arrangements likely to benefit any such persons or otherwise advance the interests of the Company or of its Members, and to subscribe, guarantee or pay money for any purpose likely, directly or indirectly to further the interests of the Company or of its Members or for any national, charitable, benevolent, educational, social, public, general or useful object.
- (g) Subject to the provisions of Section 42(A) of the Companies Act 1981, to purchase its own share on such terms and conditions as the Directors may determine.

THE COMPANIES ACT 1981

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**Company Limited by Shares**

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**NEW BYE-LAWS**

(approved by Special Resolution passed on 11th September, 1989  
and last amended by Special Resolution passed on 9th June, 2010)

**OF**

**REGAL HOTELS INTERNATIONAL HOLDINGS LIMITED**  
(formerly known as 'CLANMORE LTD.')

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**Interpretation**

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

“Bermuda” shall mean the Islands of Bermuda;

“business day” shall mean a day on which the stock exchange in the Relevant Territory generally is open for the business of dealing in securities. For the avoidance of doubt, where the stock exchange in the Relevant Territory is closed for the business of dealing in securities on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Bye-laws be counted as a business day.

Added pursuant  
to a special  
resolution passed  
on 9th June, 2010

“Hong Kong” shall mean Hong Kong and its dependencies;

“the Company” or “this Company” shall mean the company incorporated in Bermuda under the name of Clanmore Ltd. on the 10th day of April, 1989, which name was changed to “Regal Hotels International Holdings Limited” on the 6th day of July, 1989;

“the Companies Act” shall mean the Companies Act 1981 as may from time to time be amended;

“the Statutes” shall mean the Companies Act and every other act (as may from time to time be amended) for the time being in force in Bermuda applying to or affecting the Company, the Memorandum of Association and/or these presents;

“these Bye-laws” or “these presents” shall mean these Bye-laws in their present form and all supplementary, amended or substituted Bye-laws for the time being in force;

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

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

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

“Principal Register” shall mean the register of members of the Company maintained in Bermuda;

“the register” shall mean the Principal Register or any branch register to be kept pursuant to the provisions of Bye-law 15;

“Head Office” shall mean such office of the Company as the Board may from time to time determine to be the principal office of the Company;

“Transfer Office” shall mean the place where the Principal Register is situate for the time being;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Board from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Board otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Hong Kong or such other territory as the Board may from time to time decide if the issued share capital of the Company is listed on a stock exchange in such territory;

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

“Secretary” shall mean the person or corporation for the time being performing the duties of that office and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons;

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

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

“call” shall include any instalment of a call;



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

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

“HK\$” shall mean Hong Kong dollars or other the lawful currency for the time being of Hong Kong;

“debenture” and “debenture holder” shall respectively include “debenture stock” and “debenture stockholder”;

“month” shall mean a calendar month”

“writing” or “printing” shall include writing, printing, lithography, photography, type-writing and every other mode of representing words or figures in a legible and non-transitory form;

“subsidiary” shall mean any subsidiary within the meaning of section 86 of the Companies Act;

“clearing house” shall mean a recognised clearing house within the meaning of Section 2 of the Securities and Futures Ordinance of Hong Kong or a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;

Amended pursuant to a special resolution passed on 12th June, 2003

Added pursuant to a special resolution passed on 3rd December, 1993

“associate” shall have the meaning attributed to it in the rules of the stock exchange in the Relevant Territory;

Added pursuant to a special resolution passed on 18th June, 2004

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

words importing any gender shall include every gender; and

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

Subject as aforesaid, any words or expressions defined in the Companies Act (except any statutory modification thereof not in force when these Bye-laws become binding on the Company) shall, if not inconsistent with the subject and/or context, bear the same meaning in these Bye-laws, save that “company” shall where the context permits include any company incorporated in Bermuda or elsewhere.

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

References to any Bye-laws by number are to the particular Bye-law of these Bye-laws.

A resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with Bye-law 71.

Amended pursuant to a special resolution passed on 9th June, 2010

A resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with Bye-law 71.

Amended pursuant to a special resolution passed on 9th June, 2010

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the member's election comply with all applicable Statutes, rules and regulations.

Amended pursuant to a special resolution passed on 9th June, 2010

Added pursuant to a special resolution passed on 18th June, 2004

References to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.

Added pursuant to a special resolution passed on 18th June, 2004

2. Without prejudice to any other requirements of the Statutes, a special resolution shall be required to alter the provisions of the Memorandum of Association, to approve any amendment of these presents or to change the name of the Company.

### **Share Capital and Modification of Rights**

3. (A) The share capital of the Company at the date of the adoption of these Bye-laws is HK\$150,000,000 divided into 1,500,000,000 shares of HK\$0.10 each.

(B) The power contained in the Memorandum of Association for the Company to purchase or otherwise acquire its shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

(C) Neither the Company nor any of its subsidiaries shall directly or indirectly give financial assistance to a person who is acquiring or proposing to acquire shares in the Company for the purpose of that acquisition whether before or at the same time as the acquisition takes place or afterwards PROVIDED that nothing in this Bye-law shall prohibit transactions permitted by the Statutes.

Amended pursuant to a special resolution passed on 26th June, 1996

Amended pursuant to a special resolution passed on 11th September, 1989

4. Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine).

5. (A) Subject to the Statutes, any preference shares may, with the sanction of a special resolution, be issued on terms:

Amended pursuant to a special resolution passed on 3rd December, 1993

- (a) that they are to be redeemed on the happening of a specified event or on a given date; and/or,
- (b) that they are liable to be redeemed at the option of the Company; and/or,
- (c) if authorised by the Memorandum of Association of the Company, that they are liable to be redeemed at the option of the holder.

(B) The provisions of Bye-law 189 shall apply to the 5¼ per cent. Convertible Cumulative Redeemable Preference Shares of US\$10 each in the Company created and resolved to be issued by Special Resolution passed on 3rd December, 1993 and such Bye-law shall prevail in the event of any inconsistency between it and any other provisions of the Bye-laws.

6. The Board may issue warrants to subscribe for any class of shares or securities of the Company on such terms as it may from time to time determine. Where warrants are issued to bearer, no new warrant shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such new warrant.

7. (A) If at any time the capital is dividend into different classes of shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the shares of that class) may, subject to provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these Bye-laws relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of that class, and at an adjourned meeting not less than two persons holding or representing by proxy shares of that class.
- (B) The provisions of this Bye-law shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the rights whereof are to be varied.
- (C) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be altered by the creation or issue of further shares ranking *pari passu* therewith.

### **Shares and Increase of Capital**

8. The Company in general meeting may from time to time, whether or not all the shares for the time being authorised shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and in such lawful currency as the resolution shall prescribe.
9. Any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, subject to the provisions of the Statutes and of these Bye-laws, as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.
10. The Company may by ordinary resolution, before the issue of any new shares, determine that the same, or any of them, shall be offered in the first instance, and either at par or at a premium, to all the existing holders of any class of shares in proportion as nearly as may be to the number of shares of such class held by them respectively, or make any provisions as to the issue and allotment of such shares, but in default of any such determination or so

far as the same shall not extend, such shares may be dealt with as if they formed part of the capital of the Company existing prior to the issue of the same.

11. Except so far as otherwise provided by the conditions of issue or by these Bye-laws, any capital raised by creation of new shares shall be treated as if it formed part of the original capital of the Company and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.
12. All unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as the Board shall in its absolute discretion think fit, but so that no shares shall (except in accordance with provisions of the Statutes) be issued at a discount. The Board shall, as regards any offer or allotment of shares, comply with the provisions of the Statutes, if and so far as such provisions may be applicable thereto. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such offer, option or shares to shareholders or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Shareholders affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of shareholders for any purpose whatsoever.
13. (A) The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolute or conditional) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company, but so that if the commission shall be paid or payable out of capital the conditions and requirements of the Statutes shall be observed and complied with, and in each case the commission shall not exceed ten per cent. of the price at which the shares are issued. The Company may also on any issue of shares pay such brokerage as may be lawful. The Board may at any time after the allotment of any shares, but before any person has been entered in the register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation on such terms and conditions as the Board may think fit to impose.  
  
(B) If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and subject to any conditions and restrictions contained in the

Statutes, may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings or the provision of plant.

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

### **Register of Members and Share Certificates**

15. (A) The Board shall cause to be kept a register of the members and there shall be entered therein the particulars required under the Statutes.
- (B) Subject to the provisions of the Statutes, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register of members at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on any stock exchange in Hong Kong, the Company shall keep a branch register in Hong Kong. A branch register shall be kept in the same manner in which, under the Statutes, the register of members is required to be kept. The Company shall, as soon as reasonably practicable, after the date on which any entry or alteration is made in a branch register, make any necessary alteration in the register of members.
16. Every person whose name is entered as a member in the register shall be entitled without payment to receive within twenty one days after allotment or lodgment of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or, if he shall so request, upon payment of such sum (not exceeding the maximum amount(s) prescribed by any applicable laws or regulations, including laws or regulations of any jurisdictions or stock exchanges where any share capital of the Company is listed, or in the absence of maximum amount(s) being set by applicable laws or regulations, such sum(s) as the Board may from time to time determine to be reasonable) for every certificate after the first as the Board shall from time to time determine, such number of certificates for shares in stock exchange board lots (if any) or multiples thereof as he shall request and one for the balance (if any) of the shares in question, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue a certificate or certificates to each such person, and the issue and delivery of a certificate or certificates to one of several joint holders shall be sufficient delivery to all such holders.

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

Amended  
pursuant to a  
special resolution  
passed on 28th  
June, 1990

17. Every certificate for shares, warrants or debentures or representing any other form of security of the Company shall be issued under the seal or a securities or duplicate seal of the Company provided that, in relation to the shares allotted by the Company pursuant to the scheme of arrangement under section 166 of the Hong Kong Companies Ordinance (Cap. 32 of the laws of Hong Kong) between Regal Hotels (Holdings) Limited and the holders of its shares of HK\$1.00 each or warrants issued by the Company pursuant to the related warrant proposal of Regal Hotels (Holdings) Limited:—
- (a) each certificate of shares or warrants validly subsisting, at 10:00 a.m. on the day on which such scheme becomes effective, in respect of a holding of any number of shares or warrants in Regal Hotels (Holdings) Limited shall, from and after the time on which such scheme becomes effective, have effect for all purposes as if it were a certificate duly issued by the Company for the same number of shares or warrants in the Company; and
  - (b) any such certificate as is referred to in the foregoing (a) may at any time after the Scheme therein referred to becomes effective at the option of the holder thereof be lodged with the Company for exchange whereupon the same shall be cancelled and a certificate for the like number of shares or warrants in the Company shall be issued by the Company at its expense if such certificate is so lodged within 30 days of the date of such Scheme and in any other case for such sum (not exceeding, in the case of any share capital listed on a stock exchange in Hong Kong, HK\$2) as the Board shall from time to time determine.
18. Every share certificate hereafter issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares.
19. (A) The Company shall not be bound to register more than four persons as joint holders of any share.
- (B) If any share shall stand in the names of two or more persons, the person first named in the register shall be deemed the sole holder thereof as regards service of notices and, subject to the provisions of these Bye-laws, all or any other matters connected with the Company, except the transfer of the share.
20. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu for such sum (not exceeding the maximum amount(s) prescribed by any applicable laws or regulations, including laws or regulations of any jurisdictions or stock exchanges where any share capital of the Company is listed, or in the absence of maximum amount(s) being set by applicable laws or regulations, such sum(s) as the Board may from time to time

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

determine to be reasonable) as the Board shall from time to time determine.

- (B) If any member shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Board may, if it thinks fit, comply with such request subject to the payment of such sum (not exceeding the maximum amount(s) prescribed by any applicable laws or regulations, including laws or regulations of any jurisdictions or stock exchanges where any share capital of the Company is listed, or in the absence of maximum amount(s) being set by applicable laws or regulations, such sum(s) as the Board may from time to time determine to be reasonable) for every certificate after the first, as the Board shall from time to time determine.

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

21. If a share certificate is defaced, lost or destroyed, it may be replaced on payment of such fee, if any, not exceeding the maximum amount(s) prescribed by any applicable laws or regulations, including laws or regulations of any jurisdictions or stock exchanges where any share capital of the Company is listed, or in the absence of maximum amount(s) being set by applicable laws or regulations, such sum(s) as the Board may from time to time determine to be reasonable and on such terms and conditions, if any, as to publication of notices, evidence and indemnity, as the Board thinks fit and in the case of wearing out or defacement, after delivery up of the old certificate. In the case of destruction or loss, the person to whom such replacement certificate is given shall also bear and pay to the Company any exceptional costs and the reasonable out-of-pocket expenses incidental to the investigation by the Company of the evidence of such destruction or loss and of such indemnity.

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

### **Lien**

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



23. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, nor until the expiration of fourteen days after a notice in writing, stating and demanding payment of the sum presently payable or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the shares or the person entitled by reason of such holder's death, bankruptcy or winding-up to the shares.
24. The net proceeds of such sale after the payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability or engagement in respect whereof the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the person entitled to the shares at the time of the sale. For giving effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

### **Calls on Shares**

25. The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments.
26. Fourteen days' notice at least of any call shall be given specifying the time and place of payment and to whom such call shall be paid.
27. A copy of the notice referred to in Bye-law 26 shall be sent to members in the manner in which notices may be sent to members by the Company as herein provided.
28. In addition to the giving of notice in accordance with Bye-law 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members by notice to be inserted once at least in a leading English language daily newspaper and (if the Relevant Territory is Hong Kong) in a leading Chinese language daily newspaper circulating in the Relevant Territory.
29. Every member upon whom a call is made shall pay the amount of every call so made on him to the person and at the time or times and place or places as the Board shall appoint.

30. A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed.
31. The joint holders of a share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such share or other moneys due in respect thereof.
32. The Board may from time to time at their discretion extend the time fixed for any call but no member shall be entitled to any such extension except as a matter of grace and favour.
33. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty per cent. per annum as the Board shall fix from the day appointed for the payment thereof to the time of the actual payment, but the Board may waive payment of such interest wholly or in part.
34. No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting, either personally or (save as proxy for another member) by proxy, or be reckoned in a quorum, or to exercise any other privilege as a member until all calls or instalments due from him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.
35. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Board who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
36. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal value of the share and/or by way of premium, shall for all purposes of these Bye-laws be deemed to be a call duly made, notified, and payable on the date fixed for payment, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest and expenses, forfeiture and the like, shall apply as if such sums had become payable by virtue of a call duly made and notified. The Board may on the issue of shares differentiate between the allottees or holders as to the amount of calls to be paid and the time of payment.

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

The Board may at any time repay the amount so advanced upon giving to such member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced.

### **Transfer of Shares**

38. Subject to the Statutes, all transfers of shares may be effected by transfer in writing in the usual or common form or in such other form as the Board may accept and may be under hand only Provided always that a valid instrument of transfer relating to a transfer of shares in the Company that are for the time being represented, pursuant to proviso (a) in Bye-law 17, by a certificate in the name of Regal Hotels (Holdings) Limited, executed by the transferor on or before the date on which the scheme of arrangement under section 166 of Hong Kong Companies Ordinance (Cap. 32 of the laws of Hong Kong) between Regal Hotels (Holdings) Limited and the holders of its shares of HK\$1.00 each becomes effective shall be deemed to be a valid instrument of transfer in respect of the corresponding shares in the Company. The provisions of this Bye-Law 38 shall apply, mutatis mutandis, to transfers of warrants of the Company that are for the time being represented, pursuant to proviso (a) in Bye-law 17, by a certificate in the name of Regal Hotels (Holdings) Limited. Provided, however, that for the purpose of this Bye-law, the Board may, on such conditions as the Board may think fit, accept the machine imprinted, mechanically produced or other forms of signatures of the transferor or the transferee as the valid signatures of the transferor or the transferee.
39. The instrument of transfer of any share shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
40. (A) The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the Principal Register to any branch register or any share on any branch register to the Principal Register or any other branch register.
- (B) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time stipulate, and which agreement it

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold) no shares upon the Principal Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Principal Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Principal Register, at the Transfer Office. Unless the Board otherwise agrees all transfers and other documents of title shall be lodged for registration with, and registered, at the relevant Registration Office.

41. The Board may, in its absolute discretion and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.
42. The Board may also decline to recognise any instrument of transfer unless: –
- (i) such sum, if any, (not exceeding the maximum amount(s) prescribed by any applicable laws or regulations, including laws or regulations of any jurisdictions or stock exchanges where any share capital of the Company is listed, or in the absence of maximum amount(s) being set by applicable laws or regulations, such sum(s) as the Board may from time to time determine to be reasonable) as the Board shall from time to time determine is paid to the Company in respect thereof;
  - (ii) the instrument of transfer is lodged at the relevant Registration Office or, as the case may be, the Transfer Office accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
  - (iii) the instrument of transfer is in respect of only one class of share;
  - (iv) the shares concerned are free to any lien in favour of the Company;
  - (v) the instrument of transfer is properly stamped; and
  - (vi) where applicable, the permission of the Bermuda Monetary Authority with respect thereto has been obtained.
43. No transfer shall be made to an infant or a person of unsound mind or under other legal disability.

Amended  
pursuant to a  
special resolution  
passed on 26th  
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44. If the Board shall refuse to register a transfer of any share, it shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.
45. Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued without charge to the transferee in respect of the shares transferred to him, and if any of the shares included in the certificate so given up shall be retained by the transferor a new certificate in respect thereof shall be issued to him without charge. The Company shall also retain the transfer.
46. The registration of transfers may, on giving notice by advertisement in an appointed newspaper in Bermuda and in one or more newspapers circulating in the Relevant Territory, be suspended and the register closed at such times and for such periods as the Board may from time to time determine either generally or in respect of any class of shares. The register shall not be closed for more than thirty days in any year.

#### **Transmission of Shares**

47. In the case of the death of a member, the survivor or survivors where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share solely or jointly held by him.
48. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a member may, upon such evidence as to his title being produced as may from time to time be required by the Board, and subject as hereinafter provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof.
49. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him at (unless the Board otherwise agrees) the Registration Office, stating that he so elects. If he shall elect to have his nominee registered, he shall testify his election by executing a transfer of such share to his nominee. All the limitation, restrictions and provisions of these presents relating to the right of transfer and the registration of transfers of share shall be applicable to any such notice or transfer as aforesaid as if the death, bankruptcy or winding-up of the member had not occurred and the notice or transfer were a transfer executed by such member.

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

### **Forfeiture of Shares**

51. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, without prejudice to the provisions of Bye-law 34, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.
52. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made, such place being either the registered office of the Company, or some other place at which calls of the Company are usually made payable. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
53. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by the a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture. The Board may accept the surrender of any shares liable to be forfeited hereunder and in such cases references in these Bye-laws to forfeiture shall include surrender.
54. Any share so forfeited shall be deemed to be the property of the Company, and may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Board thinks fit.
55. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding twenty per cent. per annum as the Board may prescribe, and the Board may enforce the payment thereof if it thinks fit, and without any deduction or allowance for the value of the shares,

at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

56. A statutory declaration in writing that the deponent is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited or surrendered on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
57. When any share shall have been forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.
58. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture on such terms as the Board thinks fit or permit the share forfeited to be redeemed upon the terms of payment of all calls and interest due upon the expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
59. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
60. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
61. In the event of a forfeiture of shares the member shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited and in any event the certificates representing shares so forfeited shall be void and of no further effect.

## **Stock**

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

## **Alteration of Capital**

66. (A) The Company may from time to time by ordinary resolution:—
  - (i) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; on any consolidation of fully paid shares into shares of larger amount, the Board may settle any difficulty which may arise as it thinks expedient and in particular (but without prejudice to the generality of the foregoing) may, as between the holders of the shares to be consolidated, determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such



transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

- (ii) divide its shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions;
  - (iii) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled;
  - (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Statutes, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; and
  - (v) make provision for the issue and allotment of shares which do not carry any voting rights.
- (B) The Company may by special resolution reduce its share capital, any capital redemption reserve fund or, save for the use of share premium as expressly permitted by the Statutes, any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by law.

Amended  
pursuant to a  
special resolution  
passed on 9th  
June, 2010

### **General Meetings**

67. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint.
68. All general meetings other than annual general meetings shall be called special general meetings.

69. General meetings (including special general meetings) may be held in the Relevant Territory or elsewhere in the world as may be determined by the Board.
70. The Board may, whenever it thinks fit, convene a special general meeting, and special general meetings shall also be convened on requisition, as provided by the Statutes, or, in default, may be convened by the requisitionists.
71. An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days, and a general meeting, other than an annual general meeting, called for the passing of a special resolution shall be called by notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. A general meeting, other than an annual general meeting, not called for the passing of a special resolution may be called by notice of not less than fourteen (14) clear days and not less than ten (10) clear business days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-laws, entitled to receive such notices from the Company, provided that subject to the provisions of the Statutes and if permitted by the rules of the stock exchange in the Relevant Territory, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-law be deemed to have been called if it is so agreed:—
- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
  - (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.
72. (A) The accidental omission to give any notice to, or the non-receipt of any notice by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.
- (B) In cases where instruments of proxy are sent out with notices, the accidental omission to send such instrument of proxy to, or the non-receipt of such instrument of proxy by, any person entitled to receive notice shall not invalidate any resolution passed or any proceeding at any such meeting.

Amended  
pursuant to a  
special resolution  
passed on 9th  
June, 2010

## Proceedings at General Meetings

73. All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting with the exception of:-
- (a) sanctioning dividends;
  - (b) the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;
  - (c) the election of Directors and appointment of Auditors and other officers in the place of those retiring, whether by rotation or otherwise;
  - (d) the fixing of the remuneration of the Auditors; and
  - (e) the voting of remuneration or extra remuneration to the Board.
74. For all purposes the quorum for a general meeting shall be two members entitled to attend and vote at the meeting present in person (or, in the case of a member being a corporation, by its duly authorised representative). No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.
75. If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board.
76. The Chairman (if any) of the Board or, if he is absent or declines to take the chair at such meeting, the Deputy Chairman (if any) shall take the chair at every general meeting, or, if there be no such Chairman or Deputy Chairman, or, if at any general meeting neither of such Chairman or Deputy Chairman is present within fifteen minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Board present shall choose one of their number as Chairman, and if no Director be present, or if all the Board present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present entitled to attend and vote at the meeting shall choose one of their own number to be Chairman.
77. The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjournment meeting shall be given in the same manner as in the case of

Formally incorporated  
Bye-law 190(ii)  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

Amended  
pursuant to a  
special resolution  
passed on 3rd  
December, 1993

Amended  
pursuant to a  
special resolution  
passed on 3rd  
December, 1993

any original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

78. At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll. Amended pursuant to a special resolution passed on 9th June, 2010
79. A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than thirty days from the date of the meeting or adjourned meeting, as the Chairman of the meeting or adjourned meeting may direct. No notice need to be given of a poll not taken immediately at the meeting or adjourned meeting. The result of the poll shall be deemed to be the resolution of the meeting or adjourned meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules and regulations of the stock exchange in the Relevant Territory. Amended pursuant to a special resolution passed on 9th June, 2010
80. [Intentionally deleted]. Amended pursuant to a special resolution passed on 9th June, 2010
81. In the case of an equality of votes, the Chairman of the meeting 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. Amended pursuant to a special resolution passed on 9th June, 2010
82. [Intentionally deleted]. Amended pursuant to a special resolution passed on 9th June, 2010
83. A resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held. A written notice of confirmation of such resolution in writing signed by or on behalf of a member shall be deemed to be his signature to such resolution in writing for the purposes of this Bye-law. Such resolution in writing may consist of several documents each signed by or on behalf of one or more members.

### **Votes of Members**

84. An amalgamation agreement as referred to in section 106 of the Companies Act shall be submitted for approval of the members of the Company entitled to attend and vote at the meeting in accordance with the Statutes. Amended pursuant to a special resolution passed on 3rd December, 1993

85. Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member entitled to attend and vote at the meeting and present in person, or (being a corporation) by duly authorised representative, or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of this Bye-law as paid up on the share). On a poll a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
86. Any person entitled under Bye-law 48 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of the holding of the meeting or adjourned meeting (as the case may be) at which he proposes to vote, he shall satisfy the Board of his right to be registered as the holder of such shares or the Board shall have previously admitted his right to vote at such meeting in respect thereof.
87. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
88. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may on a poll vote by proxy where such member would himself have been entitled to vote. Evidence to the satisfaction of the Board of the authority of the person claiming to exercise the right to vote shall be delivered to the registered office of the Company, or to such other place as is specified in accordance with these Bye-laws for the deposit of instruments of proxy, not later than the last time at which a valid instrument of proxy could be so delivered.
89. (A) Save as expressly provided in these Bye-laws, no person other than a member duly registered and who shall have paid everything for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member) either personally or by proxy, or to be reckoned in a quorum, at any general meeting.

Amended pursuant to a special resolution passed on 9th June, 2010

Amended pursuant to a special resolution passed on 3rd December, 1993

Amended pursuant to a special resolution passed on 9th June, 2010

Amended pursuant to a special resolution passed on 3rd December, 1993

- (B) Where any member of the Company is, under the rules of the stock exchange in the Relevant Territory, 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. Added pursuant to a special resolution passed on 18th June, 2004
- (C) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive. Re-numbered pursuant to a special resolution passed on 18th June, 2004
90. (A) Any member of the Company entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. A member may appoint more than one proxy to attend on the same occasion.
- (B) A proxy need not be a member of the Company. A representative authorised under the provisions of Bye-law 96 need not be a member of the Company. Formally incorporated pursuant to a special resolution passed on 26th June, 1996
91. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
92. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at such place or one of such places (if any) as may be specified for that purpose in the notice of meeting or in the instrument of proxy issued by the Company (or, if no place is so specified at the Registration Office) not less than forty-eight hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution, except at an adjourned meeting where the meeting was originally held within twelve months from such date. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked. Amended pursuant to a special resolution passed on 9th June, 2010
93. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve.

94. The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to vote on any resolution (or amendment thereto) put to the meeting for which it is given as the proxy thinks fit provided that any form issued to a member for use by him for appointing a proxy to attend and vote at a special general meeting or at an annual general meeting at which special business (determined as provided in Bye-law 73) is to be transacted shall be such as to enable the member, according to his intention, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such special business; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
95. A vote given in accordance with the terms of an instrument of proxy or power of attorney or by the duly authorised representative of a corporation shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or power of attorney or other authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Registration Office, or at such other place as is referred to in Bye-law 92, at least two hours before the commencement of the meeting or adjourned meeting at which the proxy is used.
96. (A) Any corporation which is a member of the Company holding shares in respect of which it is entitled to attend and vote at any meeting of the Company or of any class of members of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person(s) as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company; references in these Bye-laws to a member present in person at a meeting shall, unless the context otherwise requires, include a corporation which is a member represented at the meeting by such duly authorised representative.
- (B) Subject to being permitted by the Statutes, if a clearing house is a member, it may authorise such person(s) as it thinks fit to act as its representative(s) at any meeting of the Company or 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 provisions of this Bye-law shall be entitled to exercise the same powers on behalf of the clearing house (or its nominee) which he represents as that clearing house (or its nominee) could exercise if it were an individual member of the Company.

Amended  
pursuant to a  
special resolution  
passed on 3rd  
December, 1993

## Registered Office

97. The registered office of the Company shall be at such place in Bermuda as the Board shall from time to time appoint.

## Board of Directors

98. Subject to Bye-law 111, the number of Directors shall not be less than two. The Board shall cause to be kept a register of the Directors and Secretaries, and there shall be entered therein such particulars as the Board may from time to time determine.
99. Neither a Directors nor an alternate Director shall be required to hold any qualification shares but shall nevertheless entitled to attend and speak at all general meetings of the Company and at all meetings of any class of members of the Company. Formally incorporated  
Bye-law 190(iv)  
pursuant to a  
special resolution  
passed on 26th  
June, 1996
100. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Formally incorporated  
Bye-law 190(v)  
pursuant to a  
special resolution  
passed on 26th  
June, 1996
101. A Director may at any time, by notice in writing signed by him delivered to the Head Office or at a meeting of the Board, appoint any person (including another Director) to act as alternate Director in his place during his absence and may in like manner at any time determine such appointment. If such person is not another Director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to being so approved. The appointment of an alternate Director shall determine on the happening of any event which, were he a Director, would cause him to vacate such office or if his appointor ceases to be a Director. Formally incorporated  
Bye-law 190(vi)  
pursuant to a  
special resolution  
passed on 26th  
June, 1996
102. (A) An alternate Director shall (except when absent from the territory in which the Head Office is for the time being situate) be entitled to receive notices of meetings of the Board and shall be entitled to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these presents shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative. If his appointor is for the time being absent from the territory in which the Head Office is for the time being situate or otherwise not available or unable to act, his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee Formally incorporated  
Bye-law 190(vii)  
pursuant to a  
special resolution  
passed on 26th  
June, 1996



of the Board, the foregoing provisions of this paragraph shall also apply mutatis mutandis to any meeting of any committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Bye-laws. No alternate Director shall by virtue of that position be a director for the purposes of the Statutes, but shall nevertheless be subject to the provisions of the Statutes in so far as they relate to the duties and obligations of directors (other than the obligation, if any, to hold any qualifying share in the Company) when performing the functions of a director.

(B) An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

103. The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to time during such period for which he has held office. The foregoing provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees.
104. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.
105. The Board may grant special remuneration to any Director who, being called upon, shall perform any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be arranged.

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

107. (A) A Director shall vacate his office:—

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

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

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

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(B) (i) No Director or intended Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

(ii) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his associate(s) is/are materially interested, but this prohibition shall not apply to any of the following matters namely:

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(a) any contract, arrangement or proposal for giving the Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations undertaken by him or any of his associate(s) for the benefit of the Company or any of its subsidiaries;

(b) any contract, arrangement or proposal for the Company or any of its subsidiaries giving any security or indemnity to a third party in respect of a debt or obligation of the Company for which the Director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

- (c) any contract, arrangement or proposal in relation to 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 or invitation;
- (d) any contract, arrangement or proposal with any other company in which the Director or any of his associate(s) is/are interested only as a director or an officer of that other company;
- (e) any contract, arrangement or proposal in relation to or concerning any other company in which the Director or his associate(s) is/are interested directly or indirectly as holder of shares or other securities of that company so long as the interest of such Director and any of his associate(s) are in aggregate less than five (5) per cent. of such issued shares or securities or the voting rights attaching to such issued shares or securities (or of any third company through which his interest or that of any of his associates is derived);
- (f) any contract, arrangement or proposal in which the Director or any of 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 beneficial interest in shares or debentures or other securities of the Company;
- (g) any contract, arrangement or proposal in relation to or concerning the adoption, modification or operation of any executive and/or employees share option scheme under which the Director or his associate(s) may benefit;
- (h) any proposal or arrangement for the benefit of employees of the Company or its subsidiaries including the adoption, modification or operation of a pension fund or retirement, death or disability benefit scheme which relates both to the Director or his associate(s) and employees of the Company or of any of its subsidiaries and does not give the Director or his associate(s) any privilege not accorded to the employees for which such scheme or fund relates;

- (i) the appointment and empowering of a committee of Directors who do not have a material interest in a relevant contract or matter to deal with that contract or matter or the appointment of independent advisors in connection with such contract or matter;
  - (j) the approval of a contract or matter which, by virtue of all Directors having a material interest or otherwise, is expressly subject to approval by the Company in general meeting at which he will not vote; or
  - (k) the approval of a document, letter, notice or advertisement to shareholders in respect of a contract or matter in which the Director or his associate(s) has/have a material interest so long as such interest is disclosed therein.
- (iii) A Director and/or his associate(s) shall be deemed materially interested in a transaction if a company in which a Director and/or his associate(s), in aggregate, beneficially own(s) five (5) per cent. or more of the issued shares or other securities of that company (or of any third company through which his interest or that of his associates is derived) is interested in such transaction.
- Added pursuant to a special resolution passed on 18th June, 2004
- (iv) Any question arising at any meeting of the Board as to the materiality of the interest of a Director or as to the entitlement of any Director to vote shall be referred to the Chairman of the meeting and his ruling shall be final and conclusive, whereas any question as aforesaid arising in respect of the Chairman of the meeting shall be decided by a resolution of the Board for which purpose such Chairman shall not be counted in the quorum nor shall he vote thereon and such resolution shall be final and conclusive.
- Added pursuant to a special resolution passed on 18th June, 2004
- (v) Any Director may continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company in which the Company may be interested and (unless otherwise agreed) no such Director shall be accountable for any remuneration or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any such other company. The Board may exercise the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner and in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors,
- Re-numbered pursuant to a special resolution passed on 18th June, 2004

managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or be about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

- (vi) A general notice to the Board by a Director that he is a member of a specified firm or corporation and is to be regarded as interested in any contract or arrangement which may be made with that firm or corporation after the date of such notice or that he is to be regarded as interested in any contract or arrangement which may be made with a specified person who is connected with him after the date of such notice shall be deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made, provided that no such notice shall be of effect unless either it is given at a meeting of the Board or the Director takes reasonable steps to ensure that it is brought up and read at the next meeting of the Board after it is given.
- (C) A Director of the Company may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.
- (D) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.

Re-numbered pursuant to a special resolution passed on 18th June, 2004

### **Retirement of Directors**

109. (A) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, Provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election.

Amended pursuant to a special resolution passed on 9th June, 2010

Formally incorporated Bye-law 190(ix) pursuant to a special resolution passed on 26th June, 1996

- (B) The Company at any general meeting at which any Directors retire in manner aforesaid may fill the vacated office by electing a like number of persons to be Directors.
110. If at any general meeting at which an election of Directors ought to take place, the places of the retiring Directors are not filled, the retiring Directors or such of them as have not had their places filled shall continue to be eligible for re-election unless:—
- (i) it shall be determined at such meeting to reduce the number of Directors; or
  - (ii) it is expressly resolved at such meeting not to fill up such vacated offices; or
  - (iii) in any such case the resolution for re-election of a Director is put to the Meeting and lost; or
  - (iv) such Director has given notice in writing to the Company that he is unwilling to be re-elected.
111. The Company shall from time to time fix and may from time to time in general meeting by ordinary resolution increase or reduce the maximum and minimum number of Directors but so that the number of Directors shall never be less than two.
112. The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.
113. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless an ordinary resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.
114. No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been delivered to the Company at the registered office or Head Office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that the period for lodgment of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.
115. The Company may by ordinary resolution remove any Director before the expiration of his period of office notwithstanding anything in these Bye-laws

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or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract of service between him and the Company) and may elect another person in his stead. Any person so elected shall hold office for such time only as the Director in whose place he is elected would have held the same if he had not been removed.

### **Borrowing Powers**

116. The Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof.
117. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fits and, in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
118. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
119. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
120. (A) The Board shall cause a proper register to be kept of all mortgages and charges specifically affecting the property of the Company.  
  
(B) If the Company issues a series of debentures or debenture stock not transferable by delivery, the Board shall cause a proper register to be kept of the holders of such debentures.
121. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

### **Officers**

122. The Board may elect from their number a President and/or Vice-President, and the Board may also from time to time appoint any one or more of its body to the office of Managing Director, Joint Managing Director, Deputy Managing Director or other Executive Director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit and upon such terms as to

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remuneration as it may decide in accordance with Bye-law 106.

123. Every Director appointed to an office under Bye-law 122 hereof shall, but without prejudice to any claim for damages for breach of any contract of service between himself and the Company, be liable to be dismissed or removed therefrom by the Board.
124. Subject to Bye-Laws 109 and 190(ix), a Director appointed to an office under Bye-law 122 shall be subject to the same provisions as to retirement, resignation and removal as the other Directors of the Company (subject to the proviso to Bye-law 109(A)), and he shall ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.
125. The Board may from time to time entrust to and confer upon a President, Vice-President, Managing Director, Joint Managing Director, Deputy Managing Director or Executive Director all or any of the powers of the Board that it may think fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose, and the said powers may at any time be withdrawn, revoked or varied, but no person dealing in good faith and without notice of such withdrawal, revocation or variation shall be affected thereby.

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### **Management**

126. (A) Subject to any exercise by the Board of the powers conferred by Bye-laws 127 to 129, the management of the business of the Company shall be vested in the Board who, in addition to the powers and authorities by these Bye-laws expressly conferred upon it, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not hereby or by the Statutes expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Statutes and of these Bye-laws and to any regulations from time to time made by the Company in general meeting not being inconsistent with such provisions of these Bye-laws, provided that no regulation so made shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (B) Without prejudice to the general powers conferred by these Bye-laws, it is hereby expressly declared that the Board shall have the following powers:—
- (i) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; and

- (ii) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
- (C) Without prejudice to the general powers conferred by these Bye-laws if any of the shares or debentures of the Company are for the time being (with the consent of the Company) listed on a stock exchange in Hong Kong the voluntary payment to any director or past director of any sum by way of compensation in connection with his ceasing to hold such office (not being a payment to which the director is contractually entitled) must be approved by the Company in general meeting, Provided that this Bye-law 126(C) shall cease to have any effect if the rules and regulations of such stock exchange shall not require a restriction in the terms of this Bye-law 126(C) to be included in the Bye-laws of the Company.

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### **Managers**

127. The Board may from time to time appoint a general manager, manager or managers of the business of the Company and may fix his or their remuneration either by way of salary or commission or by conferring the right to participate in the profits of the Company or by a combination of two or more of these modes and pay the working expenses of any of the staff of the general manager, manager or managers who may be employed by him or them upon the business of the Company.
128. The appointment of such general manager, manager or managers may be for such period as the Board may decide and the Board may confer upon him or them all or any of the powers of the Board and such title or titles as they may think fit.
129. The Board may enter into such agreement or agreements with any such general manager, manager or managers upon such terms and conditions in all respects as the Board may in their absolute discretion think fit, including a power for such general manager, manager or managers to appoint an assistant manager or managers or other employees whatsoever under them for the purpose of carrying on the business of the Company.

### **Chairman**

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

## **Proceedings of the Board**

131. The Board may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Unless otherwise determined two Directors shall be a quorum. For the purpose of this Bye-law an alternate Director shall be counted in a quorum but, notwithstanding that an alternate Director is also a Director or is an alternate for more than one Director, he shall for quorum purposes count as only one Director. A Director or any member of a committee of the Board may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting are capable of hearing each other.
132. A Director may, and on request of a Director the Secretary shall, at any time summon a meeting of the Board which may be held in any part of the world provided that no such meeting shall be summoned to be held outside the territory in which the Head Office is for the time being situate without the prior approval of the Board. Notice thereof shall be given to each Director and alternate Director either in writing or by telephone or by telex or telegram at the address from time to time notified to the Company by such Director or in such other manner as the Board may from time to time determine provided that notice need not be given to any Director or alternate Director for the time being absent from such territory. A Director may waive notice of any meeting and any such waiver may be prospective or retrospective.
133. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman shall have a second or casting vote.
134. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Bye-laws for the time being vested in or exercisable by the Board generally.
135. The Board may delegate any of its powers to committees consisting of such member or members of their body and such other persons, as the Board think fit, and they may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.
136. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes for which it is appointed, but not otherwise, shall have the like force and effect as if done by the Board, and the Board shall have power to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.

137. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not replaced by any regulations imposed by the Board pursuant to Bye-law 135.
138. All acts bona fide done by any meeting of the Board or by any such committee or by any person acting as a Director shall, notwithstanding that it shall be afterwards discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or member of such committee.
139. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to these Bye-laws as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Company but for no other purpose.
140. A resolution in writing signed by all the Directors except such as are absent from the territory in which the Head Office for the time being situate or temporarily unable to act through ill-health or disability (or their alternate Directors) shall (so long as they constitute a quorum as provided in Bye-law 131) be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Any such resolution in writing may consist of several documents in like form each signed by one or more of the Directors or alternate Directors.

### **Minutes**

141. (A) The Board shall cause minutes to be made of:—
- (i) all appointments of officers made by the Board;
  - (ii) the names of the Directors present at each meeting of the Board and of committees appointed pursuant to Bye-law 135; and
  - (iii) all resolutions and proceedings at all meetings of the Company and of the Board and of such committees.
- (B) Any such minutes shall be conclusive evidence of any such proceedings if they purport to be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

## **Secretary**

142. The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board. Anything by the Statutes or these Bye-laws required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specially in that behalf by the Board. If the Secretary appointed is a corporation or other body, it may act and sign by the hand of any one or more of its directors or officers duly authorised.
143. The duties of the Secretary shall be those prescribed by the Statutes and these Bye-laws, together with such other duties as may from time to time be prescribed by the Board.
144. A provision of the Statutes or of these Bye-laws requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

## **General Management and Use of the Seal**

145. (A) The Company shall have one or, if permitted by the Statutes, more seals as the Board may determine. The Company may adopt one or more common seals for use in any territory outside Bermuda. The Board shall provide for the safe custody of each seal, and no seal shall be used without the authority of the Board or a committee of the Board authorised by the Board in that behalf.
- (B) Every instrument to which a seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or some other person appointed by the Board for the purpose, provided that the Board may either generally or in any particular case or cases resolve (subject to such restrictions as to the manner in which a seal may be affixed as the Board may determine) that such signatures or any of them may be affixed to certificates for shares or warrants or debentures or representing any other form of security by some mechanical means other than autographic to be specified in such resolution or that such certificates need not be signed by any person. Every instrument executed in manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

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146. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.
147. (A) The Board may from time to time and at any time, by power of attorney under the seal, appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
- (B) The Company may, by writing under its seal, empower any person, either generally or in respect of any specified matter, as its attorney to execute deeds and instruments on its behalf and to enter into contracts and sign the same on its behalf and every deed signed by such attorney on behalf of the Company and under his seal shall bind the Company and have the same effect as if it were under the seal of the Company.
148. The Board may establish any committees, local boards or agencies for managing any of the affairs of the Company, either in the Relevant Territory or elsewhere, and may appoint any persons to be members of such committees, local boards or agencies and may fix their remuneration, and may delegate to any committee, local board or agent any of the powers, authorities and discretions vested in the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
149. The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such

other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependants of any such persons. The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

### **Capitalisation of Reserves**

150. (A) The Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any part of the Company's reserves (including any contributed surplus account and also including any share premium account or other undistributable reserve, but subject to the provisions of the law with regard to unrealised profits) or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in one way and partly in the other; provided that for the purpose of this Bye-law, any amount standing to the credit of share premium account may only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid up shares.
- (B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or profits and undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Bye-law, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in lieu of fractional certificates or that fraction of such value as the Board may determine may be disregarded in order to adjust the rights of all parties. The Board may

appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.

151. Subject to the Statutes:–

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

- (i) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the “Subscription Right Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full differences between the subscription price and the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (iii) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Right Reserve in paying up in full such difference in respect of such additional shares as and when the same are allotted;
- (ii) the Subscription Right Reserve shall not be used for any purpose other than that specified above until all other reserves of the Company (other than share premium account and capital redemption reserve fund) have been used and will then only be used to make good losses of the Company if and so far as is required by law;
- (iii) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:



- (a) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
- (b) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,

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

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

- (B) Shares allotted pursuant to the provisions of this Bye-law shall rank pari passu in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned.
- (C) Notwithstanding anything contained in paragraph (A) of this Bye-law 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 should be determined according to the terms and conditions of the warrants.
- (D) The provisions of this Bye-law as to the establishment and maintenance of the Subscription Right Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating, the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (E) A certificate or report by the Auditors of the Company as to whether or not the Subscription Right Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Right Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Right Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

#### **Dividends, Other Distributions and Reserves**

- 152. The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.
- 153. (A) The Board may from time to time pay or make to the members such interim dividends and other interim distributions (including distributions out of contributed surplus) as the Board thinks fit and such dividends and distributions shall not be limited in any way save by the Statutes. In particular (but without prejudice to the generality of the foregoing), if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an

interim dividend on any shares having deferred or non-preferential rights.

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

- 154. (A) No dividend shall be payable except in accordance with the Statutes. No dividend or other distribution shall carry interest.

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- (B) Subject to paragraph (C) of this Bye-law, all dividends and other distributions in respect of shares in the Company shall be stated and discharged, in the case of shares denominated in Hong Kong dollars, in Hong Kong dollars, and, in the case of shares denominated in any other currency, in that currency, provided that, in the case of shares denominated in Hong Kong dollars, the Board may determine in the case of any distribution that shareholders may elect to receive the same in United States dollars or any other currency selected by the Board, conversion to be effected at such rate of exchange as the Board may determine.

- (C) If, in the opinion of the Board, any dividend or other distribution in respect of shares or any other payment to be made by the Company to any shareholder is of such a small amount as to make payment to that shareholder in the relevant currency impracticable or unduly expensive either for the Company or the shareholder then such dividend or other distribution or other payment may, at the discretion of the Board, be paid or made in the currency of the country of the relevant shareholder (as indicated by the address of such shareholder on the register).

- 155. Notice of the declaration of an interim dividend shall be given by advertisement in the Relevant Territory and in such other territory or territories as the Board may determine and in such manner as the Board shall determine.

- 156. Whenever the Board or the Company in general meeting have resolved that a dividend or other distribution be paid, made or declared, the Board may further resolve that such dividend or other distribution be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional certificates, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite

instruments of transfer and other documents on behalf of the persons entitled to the dividend and such appointment shall be effective. The Board may resolve that no such assets shall be made available or made to shareholders with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the shareholders aforesaid shall be to receive cash payments as aforesaid. Shareholders affected as a result of the foregoing sentence shall not be or be deemed to be, a separate class of shareholders for any purpose whatsoever.

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

either (i) that such dividend be satisfied wholly or in part in the form of an allotment of share credited as fully paid up on the basis that the shares so allotted shall be of the same class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:—

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

(including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine, a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

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

the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

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

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

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

(C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Bye-law with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(D) The Company may upon the recommendation of the Board by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (A) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(E) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Bye-law shall not be made available or made to any shareholders with registered

addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

(F) The Board may on any occasion determine that rights of election under paragraph (A) of this Bye-law shall not be made available to shareholders who are registered in the register of shareholders, or in respect of shares the transfer of which is registered, after a date fixed by the Board and in such event the provisions aforesaid shall be read and construed subject to such determination.

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

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

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

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

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

162. A transfer of shares shall not pass the right to any dividend or bonus declared thereon before the registration of the transfer.
163. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends, interim dividends or bonuses and other moneys payable in respect of such shares.
164. Unless otherwise directed by the Board, any dividend or bonus may be paid by cheque or warrant sent through the post to the registered address of the member entitled, or, in case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged.
165. All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.
166. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Bye-law shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members.

### **Distribution of Realised Capital Profits**

167. The Company in general meeting may at any time and from time to time resolve that any surplus moneys in the hands of the Company representing capital profits arising from moneys received or recovered in respect of or arising from the realisation of any capital assets of the Company or any investments representing the same and not required for the payment or provision of any fixed preferential dividend instead of being applied in the purchase of any other capital assets or for other capital purposes be distributed amongst the ordinary shareholders on the footing that they receive the same as capital and in the shares and proportions in which they



would have been entitled to receive the same if it had been distributed by way of dividend, provided that no such profits as aforesaid shall be so distributed unless there shall remain in the hands of the Company a sufficiency of other assets to answer in full the whole of the liabilities and paid-up share capital of the Company for the time being.

### **Returns**

168. The Board shall make the requisite returns and annual declarations in accordance with the Companies Act.

### **Accounts**

169. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Statutes or necessary to give a true and fair view of the state of Company's affairs and to show and explain its transactions.
170. The books of account shall be kept at the Head Office or at such other place or places as the Board thinks fit and shall always be open to the inspection of the Directors provided that such records as are required by the Statutes shall also be kept at the Registered Office.
171. The Board shall from time to time determine whether and to what extent, at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them shall be open to the inspection of the members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by the Statutes or ordered by a court of competent jurisdiction or authorised by the Board or by the Company in general meeting.
172. (A) The Board shall from time to time cause to be prepared and laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Statutes.
- (B) Every balance sheet of the Company shall be signed on behalf of the Board by two Directors and, subject to any special rights, privileges or restrictions for the time being attached to any class or classes of shares, a copy of every balance sheet (including every document required by law to be comprised therein or attached or annexed thereto) and profit and loss account which is to be laid before the Company in general meeting, together with a copy of the Directors' report and a copy of the Auditors' report, unless waived pursuant to section 88 of the Companies Act and subject to Bye-law 172(C), shall not less than twenty-one days before the date of the meeting, be sent to every member of, and every holder of debentures of, the Company

Amended pursuant to a special resolution passed on 18th June, 2004

Amended pursuant to a special resolution passed on 3rd December, 1993

and every person registered under Bye-law 48 and every other person entitled to receive notices of general meetings of the Company under the provisions of the Statutes or of these presents, provided that this Bye-law shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the registered office or the Registration Office. If all or any of the shares or debentures of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as may for the time being be required under its regulations or practice.

- (C) To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the stock exchange in the Relevant Territory, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 172(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and reports referred to in Bye-law 172(B) which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the Company's annual financial statements and reports thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statements and reports thereon.

Added pursuant to a special resolution passed on 18th June, 2004

- (D) The requirement to send to a person referred to in Bye-law 172(B) the annual financial statements and reports referred to in that Bye-law or a summary financial report in accordance with Bye-law 172(C) shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the stock exchange in the Relevant Territory, the Company publishes copies of the documents referred to in Bye-law 172(B) and, if applicable, a summary financial report complying with Bye-law 172(C), on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such annual financial statements and reports.

Added pursuant to a special resolution passed on 18th June, 2004

## **Audit**

173. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.
174. Subject as otherwise provided by the Statutes the remuneration of the Auditors shall be fixed by the Company in general meeting Provided always that in respect of any particular year the Company in general meeting may delegate the fixing of such remunerations to the Board.
175. Every statement of accounts audited by the Company's Auditors and presented by the Board at a general meeting shall after approval at such meeting be conclusive except as regards any error discovered therein within three months of the approval thereof. Whenever any such error is discovered within that period, it shall forthwith be corrected, and the statement of accounts amended in respect of the error shall be conclusive.

## **Notices**

176. Any notice or document (including any "corporate communication" within the meaning ascribed thereto under the rules of the stock exchange in the Relevant Territory), whether or not to be given or issued under these Bye-laws, from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid letter, envelope or wrapper addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement in appointed newspaper (as defined in the Companies Act) or in one or more newspapers published daily and circulating in the Relevant Territory and in accordance with the requirements of the stock exchange in the Relevant Territory or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the stock exchange in the Relevant Territory, and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

Amended pursuant to a special resolution passed on 18th June, 2004

Amended pursuant to a special resolution passed on 28th June, 1990

177. A member shall be entitled to have notices served on him at any address within the Relevant Territory. Any member whose registered address is outside the Relevant Territory may notify the Company in writing of an address in the Relevant Territory which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside the Relevant Territory, notice, if given through the post, shall be sent by prepaid airmail letter.
178. Any notice sent by post shall be deemed to have been served on the day following that on which the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly prepaid, addressed and posted and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice was so addressed and posted shall be conclusive evidence thereof.
- 178(A). Any notice sent by electronic communication shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website or the website of the stock exchange in the Relevant Territory is deemed given by the Company to a member on the day following that on which a notice of availability is deemed served on the member. Added pursuant to a special resolution passed on 18th June, 2004
- 178(B). Any notice served or delivered in any other manner contemplated by these Bye-laws shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof. Added pursuant to a special resolution passed on 18th June, 2004
- 178(C). A notice may be given to a member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations. Added pursuant to a special resolution passed on 18th June, 2004
179. A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

180. Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the register shall have been duly given to the person from whom he derives his title to such share.
181. Any notice or document delivered or sent by post to, or left at the registered address of any member in pursuance of these presents, shall notwithstanding that such member be then deceased or bankrupt and whether or not the company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such shares.
182. The signature to any notice to be given by the Company may be written or printed.

### **Information**

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

### **Winding Up**

184. A resolution that the Company be wound up by the Court or be wound up voluntarily shall be a special resolution.
185. If the Company shall be wound up, the surplus assets remaining after payment to all creditors shall be divided among the members in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets shall be insufficient to repay the whole of the paid up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up on the shares held by them respectively, but all subject to the rights of any shares which may be issued on special terms or conditions.
186. Subject to any special rights, privileges or restrictions for the time being attached to any class or classes of shares, if the Company shall be wound up (whether the liquidation is voluntary, or by the court) the liquidator may, with the sanction of a special resolution, divide among the members in specie or kind the whole or any part of the assets of the Company and whether the assets shall consist of property of one kind or shall consist or properties of different kinds and the liquidator may, for such purpose, set

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such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other assets upon which there is a liability.

### **Indemnity**

187. Save and except so far as the provisions of this Bye-law shall be avoided by any provisions of the Statutes, the Board, President, Vice-president, Managing Directors, alternate Director, Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the act, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

### **Alteration of Bye-laws**

188. These Bye-laws may be amended from time to time by the Board subject to the approval of the Company in general meeting by special resolution.

### **5¼ per cent. Convertible Cumulative Redeemable Preference Shares**

189. The provisions of this Bye-law shall apply to the 5¼ per cent. Convertible Cumulative Redeemable Preference Shares of US\$10 each in the Company created and authorised to be issued by Special Resolution passed on 3rd December, 1993, and any other such preference shares resolved to be issued and issued on the same terms, and shall prevail over any inconsistency with any other provisions of the Bye-laws.

Added pursuant to a special resolution passed on 3rd December, 1993

*Note: This Bye-law was adopted by Special Resolution passed on 3rd December, 1993.*

## **Interpretation**

(1) In the Bye-law, unless the context otherwise requires:—

(A) the following expressions shall have the following meanings:—

### **Bank**

an independent investment bank of international repute selected by the Company;

### **Business Day**

a day (excluding Saturdays) on which commercial banks are open for business in the place(s) in question;

### **Capital Distribution**

any distribution paid or made by the Company on Ordinary Shares to the extent that the amount of such distribution exceeds the amount calculated by reference to the following formula:—

$$P - D$$

where:—

P = the aggregate amount of the net consolidated profits less the aggregate amount of the net consolidated losses of the Company and its subsidiaries after taxation and minority interests but before extraordinary items in respect of the financial period ended on 31st December, 1992 and each subsequent financial period in respect of which an audited consolidated profit and loss account of the Company and its subsidiaries (or, if it has at the relevant time no subsidiaries, an audited profit and loss account of the Company) has been published, as shown by such profit and loss account(s);

D = the aggregate amount of all distributions already paid or made by the Company at the time of the relevant calculation on Ordinary Shares in respect of the financial period ended on 31st December, 1992 and each subsequent financial period;

Provided that if such amount is greater than “P” then “D” shall be deemed to be equal to “P”;

And for these purposes:–

- (a) the amount of any distribution made otherwise than in cash shall be deemed to be equal to the Market Value of the relevant assets as at the date on which such distribution shall have been made;
- (b) a distribution shall be deemed to be paid or made in respect of the financial period in respect of which it is expressed by the Company to be an interim or final distribution or, in the case of distributions which are not so expressed to be in respect of any financial period, in respect of the financial period in which it is paid or made; and
- (c) the issue of Ordinary Shares or other securities credited as fully paid by way of capitalization of profits, reserves or any other account of the Company shall be deemed not to be a distribution for the purposes of this definition (whether or not preceded by a declaration of distribution) unless such Ordinary Shares or other securities are allotted credited as fully paid in satisfaction of a distribution in respect of which shareholders entitled thereto are entitled to elect to receive cash or specie in lieu of such allotment or such allotment in lieu of cash or specie;

#### **Closing Date**

the date on which the Preference Shares are issued;

#### **Closing Price**

the closing price on the Relevant Stock Exchange, as published by the Relevant Stock Exchange, or in the absence of any such published closing price as reasonably determined by the Company; Provided that (for the purposes of paragraph (7)) if before the issue of the Relevant Ordinary Shares or the issue or grant of, or the modification of the rights in respect of, any securities, options, warrants or rights to subscribe or purchase, there shall have been a Record Date in respect of any distribution or rights offer (other than any in connection with which the determination of the Closing Price is being made) made on or in respect of the Ordinary Shares or, as the case may be, the relevant securities, then the Closing Price of the Ordinary Shares or, as the case may be, the relevant securities on any Dealing Day before such Ordinary Shares or, as the case may be, the relevant securities were traded without the benefit of such distribution or rights shall be deemed to be the actual closing price less the amount



or Market Value (on the date upon which the distribution or the rights offer was made) of such distribution or rights;

#### **Conversion Date**

12:00 noon on the Business Day in Hong Kong immediately following that on which an effective Conversion Notice shall have been delivered provided that if the Conversion Notice is so delivered during a period when the register of Ordinary Shareholders of the Company is closed then the Conversion Notice shall be deemed to have been delivered on the last day before such register re-opens;

#### **Conversion Notice**

a notice, in such form as the Directors may from time to time specify, stating that a Preference Shareholder wishes to exercise the Conversion Right in respect of one or more Preference Shares;

#### **Conversion Number**

such number of Ordinary Shares as may be subscribed at the Conversion Price in force on the relevant Conversion Date with the Reference Amount at a fixed exchange rate of HK\$7.730255 per US\$1.00;

#### **Conversion Period**

in respect of any Preference Share, the period from (and including) the fifteenth day after the Closing Date until (and including) the eighth day prior to the Redemption Date or if later, the fifteenth anniversary of the Closing Date, in respect of that Preference Share together with the period from (but excluding) the date on which the Company is obliged to make payment pursuant to paragraph (9) until (but excluding) the date on which such payment is actually made by the Company;

#### **Conversion Price**

HK\$2.0445 per Ordinary Share, as adjusted from time to time in accordance with paragraph (7);

#### **Conversion Right**

the right, subject to the provisions of this Bye-law and to any applicable fiscal or other laws or regulations, to convert any Preference Share into the Conversion Number of Ordinary Shares;

### **Converting Shareholder**

a Preference Shareholder all or some of whose Preference Shares are being or have been converted or all or some of whose Preference Shares are being or have been redeemed by the Company by the issue of Ordinary Shares;

### **Current Market Price**

at a particular date the average of the closing quotations published in the Hong Kong Stock Exchange's Daily Quotations Sheet (or the equivalent quotations sheet of such other stock exchange on which the Ordinary Shares or such other security may be listed, as the case may be) for one Ordinary Share or such security for the five consecutive Dealing Days ending on the Dealing Day immediately preceding such date; provided that if at any time during the said five Dealing Days the Ordinary Shares or such securities shall have been quoted ex-dividend or ex-interest and during some other part of that period the Ordinary Shares or such securities shall have been quoted cum-dividend or cum-interest then:—

- (i) if the Ordinary Shares or such securities to be issued do not rank for the dividend or interest payment in question, the quotations on the dates on which the Ordinary Shares or such securities shall have been quoted cum-dividend or cum-interest shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend or interest payment per Ordinary Share or such security; and
- (ii) if the Ordinary Shares or such securities to be issued rank for the dividend or interest payment in question, the quotations on the dates on which the Ordinary Shares or such securities shall have been quoted ex-dividend or ex-interest shall for the purpose of this definition be deemed to be the amount thereof increased by such similar amount;

and provided further that if the Ordinary Shares or such securities on each of the said five Dealing Days have been quoted cum-dividend or cum-interest in respect of a dividend which has been declared or announced or interest which will be payable, but the Ordinary Shares or such securities to be issued do not rank for that dividend or interest, the quotations on each of such dates shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the amount of that dividend or interest per Ordinary

Share or such security;

**Dealing Day**

a day on which the Relevant Stock Exchange is open for business and on which trading in the Ordinary Shares or, as the case may be, the relevant securities is not suspended;

**Dividend**

the fixed cumulative preferential dividend payable pursuant to paragraph (2)(A);

**Dividend Payment Date**

the anniversary of the Closing Date;

**Equity Share Capital**

share capital excluding any part thereof which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution;

**Hong Kong Stock Exchange**

The Stock Exchange of Hong Kong Limited;

**Luxembourg Stock Exchange**

Société de la Bourse de Luxembourg;

**Market Value**

such price as is determined by a Bank to be the value of the relevant property;

**Ordinary Shares**

- (i) fully paid ordinary shares of HK\$0.10 each (or of such other nominal value in which such ordinary shares are for the time being denominated following any consolidation or sub-division which gives rise to an adjustment to the Conversion Price in accordance with paragraph (7) in the Company of the class listed on the Hong Kong Stock Exchange as at the date of adoption of this Bye-law or, where the context so requires, stock resulting from the conversion of Ordinary Shares into stock, provided that if all Ordinary Shares are replaced by other securities (all of which are identical), the expression “Ordinary

Shares” shall thereafter refer to those other securities;  
and

- (ii) any such ordinary shares comprised in any issue, distribution or grant pursuant to sub-paragraphs (7)(A)(ii), (iii)(a), (iv), (vi) or (vii) which, when fully paid, will be Ordinary Shares;

### **Pari Passu Shares**

shares ranking pari passu as regards income with the Preference Shares;

### **Preference Shareholder**

a registered holder of one or more Preference Shares;

### **Preference Shares**

5¼ per cent. Convertible Cumulative Redeemable Preference Shares of US\$10 each in the capital of the Company issued at any time following the adoption of this Bye-law on the terms of this Bye-law, as amended from time to time;

### **Record Date**

the date and time by which a subscriber or transferee of securities of the class in question would have to be registered in order to participate in the relevant distribution or rights;

### **Redemption Date**

the date specified in the relevant Redemption Notice as the date on which a Relevant Preference Share is to be redeemed, such redemption being either for cash, or, at the option of the Company, for Ordinary Shares;

### **Redemption Notice**

a notice stating that all or some of the Preference Shares (being 3,000 Preference Shares or higher integral multiple of 1,000 Preference Shares) are to be redeemed, such redemption being made either for cash, or, at the option of the Company, for Ordinary Shares on a specified date (being on or after the third anniversary of the Closing Date and not more than 60 days nor less than 30 days after the date on which such notice is given) and specifying the place at which certificates for such Preference Shares must be presented in connection with such redemption;

**Reference Amount**

US\$1,000 provided that if at any time there shall be an alteration in the nominal value of a Preference Share the Reference Amount immediately before the alteration shall be adjusted by multiplying it by a fraction of which the numerator shall be the nominal value of one Preference Share immediately after such alteration and of which the denominator shall be the nominal value of one Preference Share immediately before such alteration;

**Registrar's Office**

the office of Central Registration Hong Kong Limited at 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong and/or such office of such person or such other person as the Company may from time to time designate as the Company's registrar any/or registrar's office in Hong Kong by notice published in accordance with sub-paragraph (15)(A);

**Relevant Jurisdiction**

a jurisdiction in which the Company or any of its subsidiaries is incorporated, carries on business or holds any assets;

**Relevant Ordinary Share**

an Ordinary Share to be issued on conversion or redemption of any Preference Shares;

**Relevant Preference Share**

a Preference Share which is to be converted pursuant to a Conversion Notice or redeemed pursuant to a Redemption Notice;

**Relevant Stock Exchange**

- (i) the Hong Kong Stock Exchange; or
- (ii) if, for the purposes of paragraph (7), the consideration at which any shares or securities are or are to be issued, or the relevant exercise, exchange or subscription price, if any, for such shares or securities, is to be fixed by reference to the price of such shares or securities on another stock exchange, that stock exchange; and

## **US dollars and US\$**

the lawful currency of the United States of America.

(B) references to:-

**companies** include references to any bodies corporate however and wherever incorporated;

**conversion** include redemption by the Company of Preference Shares when such redemption is by the issue of Ordinary Shares;

**distribution** include references to any dividend or other distribution (including a distribution in specie) or capitalisation issue;

**paragraphs** are references to paragraphs of this Bye-law; and

**property** include references to shares, securities, cash and other assets or rights of any nature.

## **Income**

(2) (A) Each Preference Share shall confer on the holder thereof the right, pari passu with the holders of any Pari Passu Shares but otherwise in priority to any distribution in respect of any other class of shares, to a fixed cumulative preferential dividend at the rate of 5¼ per cent. per annum on the Reference Amount of such Preference Share.

Such Dividend shall be paid if and so far as, in the opinion of the Directors, the profits of the Company justify such payment (taking account, for this purpose, of any other payments or distributions to be made at any time on or in respect of any Pari Passu Shares), on the Dividend Payment Date in each year to Preference Shareholders on the register of Preference Shareholders on such date (or, if that is not a Business Day in Hong Kong, the last preceding day which is a Business Day in Hong Kong) in respect of the 12 month period ending on that Dividend Payment Date. For the purposes of determining those entitled to dividends on the Preference Shares, the register of Preference Shareholders may be closed for up to five Business Days in Hong Kong before any Dividend Payment Date.

To the extent that such Dividends are not paid on the Preference Shares and/or any other Pari Passu Shares, they shall accumulate and any such arrears of Dividend on the

Preference Shares and/or dividends on any Pari Passu Shares shall be payable to the Preference Shareholders and/or the holders of the relevant Pari Passu Shares, pari passu as between themselves, in preference to any other distribution in respect of any other class of shares. The Preference Shares shall not entitle the holders thereof to any further or other right of participation in the profits of the Company.

- (B) Subject to sub-paragraph (C), each Preference Share shall carry the right to the Dividend in respect of all periods up to and including the end of the 12 month period ending on the Dividend Payment Date on or immediately preceding the Conversion Date in respect of that Preference Share but not in respect of any subsequent period and, in the case of a conversion the Conversion Date for which falls on or prior to the Dividend Payment Date next following the date of issue of the relevant Preference Shares, shall carry no right to any Dividend.
- (C) Any Preference Share which is redeemed for cash at any time, or is redeemed by the issue of Ordinary Shares on the fifteenth anniversary of the Closing Date, shall carry the right to the Dividend calculated down to and inclusive of the date upon which such Preference Share is redeemed.
- (D) The amount of any Dividend payable in respect of a period of less than one year shall be calculated on the basis of a 360 day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed on the basis of a 30 day month.

### **Capital**

- (3) One a return of capital on liquidation or otherwise (but not on conversion or redemption of Preference Shares or any repurchase by the Company of Preference Shares or Ordinary Shares) the assets of the Company available for distribution among the members of the Company shall be applied as follows:-

first, in paying to the Preference Shareholders and the holders of any other Pari Passu Shares, pari passu as between themselves, a sum equal to any arrears and accruals of the dividend payable respectively on such Preference Shares and any such other Pari Passu Shares to be calculated down to and inclusive of the date of the return of capital and to be payable whether or not any of such dividends have been declared and whether or not the Company has sufficient distributable reserves;

secondly, in paying to the Preference Shareholders (pro rata to the aggregate of the Reference Amounts of the Preference Shares held by each such holder), pari passu as between themselves and the holders of any other shares in the capital of the Company ranking pari passu with the Preference Shares as regards repayment of amounts paid up or credited as paid up on such shares, an amount equal to the aggregate of the Reference Amounts of all the Preference Shares and the amounts paid up or credited as paid up on any other such shares; and

thirdly, the balance of such assets shall belong to and be distributed among the holders of any class of shares in the capital of the Company, other than the Preference Shares and any other shares not entitled to participate in such assets, in accordance with the respective rights attaching thereto. The Preference Shares shall not confer on the holders thereof the right to participate in such surplus assets.

### **Ranking**

- (4) The Company shall not (unless such sanction has been given by the Preference Shareholders as would be required for a variation of the special rights attaching to the Preference Shares or unless otherwise provided in these Bye-laws) create or issue any shares ranking, as regards order in the participation in the profits of the Company or in the assets of the Company on a winding-up or otherwise, in priority to the Preference Shares, but the Company may issue, without obtaining the consent of the Preference Shareholders, shares ranking pari passu with the Preference Shares as regards order of such participation in profits or assets and carrying such rights as to rates of dividend, voting (subject as provided in paragraph (8)(F) below), redemption, conversion, exchange or otherwise as the Directors may determine, or as the Company may by resolution determine.

### **Conversion**

- (5) (A) Each Preference Shareholder shall have the Conversion Right in relation to the Preference Share(s) held by him.
- (B) Any Preference Shareholder may exercise the Conversion Right in respect of one or more Preference Shares held by him at any time during the Conversion Period subject to the provisions of all applicable fiscal and other laws and regulations, by delivering a duly signed and completed Conversion Notice to the Registrar's Office. A Conversion Notice shall not be effective if:-



- (i) the Conversion Date in respect of the Conversion Notice does not fall within the Conversion Period; or
- (ii) it is not accompanied by the share certificates in respect of the Relevant Preference Shares and such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right (or, if such certificates have been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonable require); or
- (iii) it is not accompanied by banker's orders or similar instruments payable to the Company in respect of all taxes and stamp, issue and registration duties (if any) arising in any jurisdiction on conversion (other than any capital or any stamp duties payable in Bermuda and/or Hong Kong in respect of the issue of the Relevant Ordinary Shares, which shall be payable by the Company); or
- (iv) in the case of a Conversion Notice the Conversion Date in respect of which is on or before the Dividend Payment Date in any year and which results in conversion taking place at a time when it is either not possible or not practicable to amend the register of Preference Shareholders to reflect the conversion of the Relevant Preference Shares before such register is closed for determining those Preference Shareholders entitled to receive the Dividend payable in respect of the period ended on that Dividend Payment Date, it is not accompanied by a banker's order or similar instrument payable to the Company in an amount equal to the Dividend in respect thereof which the Preference Shareholder is to receive;

The person or persons entitled to the issue of Ordinary Shares on the exercise of a Conversion Right will be deemed for all purposes to be the holder of record of the number of Ordinary Shares issuable on conversion with effect from the relevant Conversion Date. A holder of Ordinary Shares issued or issuable on conversion of Preference Shares shall not be entitled to any distribution or other rights the record date for which precedes the relevant Conversion Date.

- (C) Conversion of the Preference Shares shall be effected in such manner, subject to the Bye-laws and as may be authorised by law, as the Directors shall from time to time determine (including in accordance with the following provisions).

Without prejudice to the generality of the foregoing, any Preference Share may be converted by redemption on the relevant Conversion Date out of (i) the capital (including share premium) paid up on the Relevant Preference Share or (ii) the profits of the Company which would otherwise be available for distribution or (iii) the proceeds of a fresh issue of shares made for the purpose.

The Directors shall be deemed by each Conversion Notice to be authorised and instructed to retain any redemption moneys otherwise payable to the Converting Shareholder and to apply the same in the subscription on such Converting Shareholder's behalf of the appropriate number of Ordinary Shares at the Conversion Price. Provided that (whatever the method of conversion determined by the Directors) if any Converting Shareholder has a registered address in any territory, where in the absence of a registration statement or any other special formalities, the allotment or delivery of any Relevant Ordinary Shares would or might, in the opinion of the Directors, be unlawful or impracticable under the laws of such territory or any Relevant Jurisdiction, then the Company shall as soon as reasonably practicable either (i) allot the Relevant Ordinary Shares to one or more third parties selected by the Company or (ii) allot the Relevant Ordinary Shares to the relevant Preference Shareholder and then, on his behalf, sell them to one or more third parties selected by the Company, in each case for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following any such allotment or allotment and sale, the Company shall pay the Converting Shareholder an amount equal to the consideration received by it in respect of the Relevant Ordinary Shares after deducting any costs of sale.

Each Preference Shareholder irrevocably authorises the Company to effect the transactions required by this sub-paragraph and for this purpose the Company may appoint some person to execute transfers, renunciations or other documents on behalf of the relevant Preference Shareholder and generally may make all arrangements which appear to it to be necessary or appropriate in connection therewith.

- (D) The Company shall allot and issue the Relevant Ordinary Shares (whatever the manner of conversion) or, as the case may be, send the amount to which he is entitled pursuant to sub-paragraph (C) to the Converting Shareholder, and shall procure that certificates in respect of the Relevant Ordinary Shares, together with a new certificate for any unconverted Preference Shares comprised in the certificate(s) surrendered by him, are issued, not later than 14 days after the relevant

#### Conversion Date.

If and whenever any conversion takes place after the occurrence of any event falling within any sub-paragraph of paragraph (7)(A) but before the amount of the relevant adjustment to the Conversion Price (if any) shall have been calculated this provision shall:-

- (i) initially have effect in connection with that conversion as if the expression “Relevant Ordinary Shares” referred to the Ordinary Shares which the Company would be obliged to issue if the Conversion Price were not to be adjusted in respect of the relevant event; and
  - (ii) apply again in connection with that conversion following the calculation of the amount of that adjustment as if the expression “Relevant Ordinary Share” referred to the additional Ordinary Shares (if any) which the Company is obliged to issue in consequence of that adjustment.
- (E) Except where the Company has allotted or sold the Relevant Ordinary Shares pursuant to the proviso to sub-paragraph (C), the Company shall, as soon as reasonably practicable, account to the Converting Shareholder for all distributions paid or made on the Relevant Ordinary Shares pursuant to paragraph (6) below.
- (F) If, so long as the Conversion Right in respect of the Preference Shares remains exercisable, a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved (otherwise than for the purposes of a reconstruction, merger or consolidation the terms whereof have previously been approved by the Preference Shareholders as a class, in the manner provided in these Bye-laws), notice thereof shall forthwith be given by the Company to the Preference Shareholders.

#### **Relevant Ordinary Shares**

- (6) The Relevant Ordinary Shares shall, save as provided in this Bye-law, rank pari passu in all respects with the Ordinary Shares in issue at the time the Relevant Ordinary Shares are issued or issuable according to the terms of this Bye-law.

## **Conversion Price Adjustment**

- (7) (A) The Conversion Price is subject to adjustment as follows:-
- (i) If and whenever there shall be an alteration in the nominal value of the Ordinary Shares by reason of consolidation or sub-division, the Conversion Price shall be adjusted in relation to subsequent conversions by multiplying it by a fraction of which the numerator shall be the nominal value of one Ordinary Share immediately after such alteration and of which the denominator shall be the nominal value of one Ordinary Share immediately before such alteration and such adjustment shall become effective immediately after such alteration takes effect.
  - (ii) If and whenever the Company shall issue, wholly for cash, (otherwise than pursuant to sub-paragraph (vi) below) any Ordinary Shares (other than Ordinary Shares:-
    - (a) issued to employees or other eligible executives (including Directors) of the Company or any of its subsidiaries in exercise of rights pursuant to any employees' or executive share scheme or to the trustees of any employees' or executive share scheme; or
    - (b) issued on exercise of the Conversion Right attaching to the Preference Shares or the exercise of similar rights attaching to any other convertible securities or upon the exercise of any options or warrants or any other rights attaching to any securities exchangeable for or carrying rights to subscribe or purchase Ordinary Shares; or
    - (c) placed, sold or issued by or on behalf of the Company or any subsidiary of the Company through any stock exchange on which the Ordinary Shares are from time to time quoted, where the aggregate number of Ordinary Shares so placed, sold or issued on any day does not exceed one half of one per cent. of the number of Ordinary Shares in issue on such day);

at a consideration per Ordinary Shares which is less than 95 per cent. of the Current market Price per Ordinary Share on the last Dealing Day preceding the

date of the announcement of the terms of such issue then the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the date of such issue, by multiplying the Conversion Price in effect immediately prior to the issue of such Ordinary Shares by a fraction of which the numerator shall be the number of Ordinary Shares in issue immediately prior to the issue of such Ordinary Shares plus the number of Ordinary Shares which the aggregate consideration receivable for the issue of the Ordinary Shares so issued (determined as provided in sub-paragraph (B)(i) below) would purchase at such Current Market Price and of which the denominator shall be the number of Ordinary Shares in issue immediately after the issue of such Ordinary Shares. Such adjustment shall become effective as at the date upon which such Ordinary Shares shall be issued.

- (iii) (a) If and whenever any securities are issued by the Company wholly for cash (other than pursuant to sub-paragraph (vii) below and other than the Preference Shares) which by their terms are convertible into or exchangeable for, or (other than pursuant to sub-paragraph (vi) below) carry rights of subscription for, Ordinary Shares to be issued by the Company, and the consideration per Ordinary Share receivable by the Company upon conversion or exchange of, or upon exercise of such rights of subscription attached to, such securities (determined as provided in sub-paragraph (B)(ii) below) shall be less than 95 per cent. of the Current Market Price per Ordinary Share on the last Dealing Day preceding the date of the announcement of the terms of such issue, then the Conversion Price shall be adjusted in relation to conversions, the Conversion date for which falls after the date of such issue, by multiplying the Conversion Price in effect immediately prior to the issue of such securities by a fraction of which the numerator shall be the number of Ordinary Shares in issue on such date of issue plus the number of Ordinary Shares which the aggregate consideration receivable by the Company for such securities (determined as provided in sub-paragraph (B) (ii) below) would purchase at such Current Market Price and of which the denominator shall be the number of Ordinary Shares in issue

on such date of issue plus the number of Ordinary Shares to be issued upon conversion or exchange of such convertible or exchangeable securities or upon exercise of such rights of subscription attached thereto at the conversion, exchange or subscription price or rate initially applicable thereto. Such adjustment shall become effective as at the date upon which such securities shall be issued.

- (b) If and whenever the rights of conversion or exchange or subscription attached to any securities such as are referred to in sub-paragraph (a) above are modified so that the consideration per Ordinary Share receivable by the Company upon conversion or exchange of, or upon exercise of such rights of subscription attached to, such securities (determined as provided in sub-paragraph (B)(ii) below) shall be less than 95 per cent. of the Current Market Price per Ordinary Share on the last Dealing Day preceding the date of the announcement of the terms of such modification, then the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the date of such modification, by multiplying the Conversion Price in effect immediately prior to such modification by:-

- (1) in the case of a change in the number of Ordinary Shares into which such securities are convertible or exchangeable, the following fraction:-

$$\frac{E + F}{E + G}$$

where:-

E = the number of Ordinary Shares in issue on the date of modification;

F = whichever shall be the greater of:-

- (a) the number of Ordinary Shares which would have been issued upon conversion or exchange of such securities at the conversion or exchange price or rate in force

immediately before the modification;

- (b) the number of Ordinary Shares which the aggregate consideration receivable by the Company upon conversion or exchange (determined as provided in sub-paragraph (B)(ii) below but including any consideration receivable in respect of such modification) would purchase at such Current Market Price;

G = the number of Ordinary Shares to be issued upon conversion or exchange of such securities at the modified conversion or exchange price or rate;

- (2) in the case of an adjustment in the price at which holders of the relevant securities are entitled to subscribe Ordinary Shares, the following fraction:-

$$\frac{H + I}{H + J}$$

where:-

H = the number of Ordinary Shares in issue at the date of the adjustment multiplied by such Current Market Price;

I = the aggregate consideration receivable by the Company upon the exercise of such rights of subscription (determined as provided in sub-paragraph (B)(ii) but including any consideration receivable in respect of such adjustment);

J = the number of Ordinary Shares to be issued upon the exercise of such rights of subscription multiplied by whichever shall be the lesser of:-

- (a) such Current Market Price; or
- (b) the amount per Ordinary Share which would have been received by the Company upon the exercise of

such rights of subscription at the subscription price in force immediately before the adjustment (determined as provided in sub-paragraph (B)(ii));

- (3) in the case of an adjustment of the number of Ordinary Shares which the holders of the relevant securities are entitled to subscribe, the following fraction:-

$$\frac{E + K}{E + L}$$

where:-

E = the number of Ordinary Shares in issue on the date of the adjustment;

K = the number of Ordinary Shares which would have been issued had the aggregate consideration receivable by the Company upon the exercise of such modified rights of subscription (determined as provided in sub-paragraph (B)(ii) but including any consideration receivable in respect of such adjustment) been applied in subscribing Ordinary Shares at whichever shall be the lesser of:-

(a) such Current Market Price; and

(b) the aggregate amount of the consideration which would have been receivable by the Company upon the exercise of such rights of subscription prior to modification (determined as provided in sub-paragraph (B)(ii)) divided by the number of Ordinary Shares which would have then been issued;

L = the number of Ordinary Shares to be issued upon exercise of such rights following the adjustment.



Such adjustment shall become effective as at the date upon which such modification shall take effect. A right of conversion, exchange or subscription shall not be treated as modified for the foregoing purposes where it is adjusted to take account of rights or capitalization issues and other events normally giving rise to adjustment of conversion, exchange or subscription terms.

- (iv) If and whenever the Company shall capitalise any amount of profits or reserves and apply the same in paying up in full the nominal value of any Ordinary Shares to be issued to the holders of Ordinary Shares or to any of them (other than any Ordinary Shares credited as fully paid out of distributable profits or reserves and which have an option to receive cash or specie in lieu thereof or Ordinary Shares credited as fully paid as aforesaid in lieu of a cash or specie distribution, being in either case a distribution which the holders of the Ordinary Shares concerned would or could otherwise have received and which would not have constituted a Capital Distribution), the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the Record Date for such issue, by multiplying it by a fraction of which the numerator shall be the aggregate nominal amount of the issued Ordinary Shares immediately before such issue and of which the denominator shall be the aggregate nominal amount of the issued Ordinary Shares immediately after such issue and such adjustment shall become effective immediately after the Record Date for such issue.
- (v) If and whenever the Company shall make any Capital Distribution then, except to the extent that Conversion Price falls to be adjusted under sub-paragraph (A)(iv) above, the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the Record Date for such Capital Distribution, by multiplying it by the following fraction:-

$$\frac{C - D}{C}$$

where:-

C = the Current Market Price of one Ordinary Share on the Dealing Day immediately before the Record Date in respect of that Capital Distribution;

D = the amount calculated by dividing the Market Value of the relevant Capital Distribution as at the Record Date in respect of that Capital Distribution by the number of Ordinary Shares the holders of which are entitled to participate in such distribution.

Such adjustment shall become effective immediately after the Record Date in respect of that Capital Distribution.

- (vi) If and whenever the Company shall issue any Ordinary Shares by way of rights to the holders of Ordinary Shares or shall grant to the holders of Ordinary Shares by way of rights any options, warrants or rights entitling them to subscribe for or purchase Ordinary Shares at, in any such case, a consideration per Ordinary Share less than 95 per cent. of the Current Market Price per Ordinary Share on the last Dealing Day preceding the date of the announcement of the terms of such issue or grant, then the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the Record Date for such issue or, as the case may be, such grant, by multiplying the Conversion Price in effect immediately prior to that Record Date by a fraction of which the numerator shall be the number of Ordinary Shares in issue on such date of issue or grant plus the number of Ordinary Share which the aggregate amount payable for such rights, options or warrants and for the total number of Ordinary Shares comprised therein (determined as provided in sub-paragraph (B)(ii)) would purchase at such Current Market Price and of which the denominator shall be the number of Ordinary Shares in issue on such date of issue or grant plus the aggregate number of additional Ordinary Shares issued or, as the case may be, comprised in the grant. Such adjustment shall become effective immediately after the Record Date for such issue or, as the case may be, such grant.

- (vii) If and whenever the company shall issue any securities (which are not Equity Share Capital) by way of rights to the holders of Ordinary Shares or shall grant to the holders of Ordinary Shares by way of rights any options, warrants or rights entitling them to subscribe for or purchase any such securities (whether in any such case such securities are of the Company or any other entity, but excluding any issue or grant which may result in an adjustment of the Conversion Price pursuant to sub-paragraph (A)(iii)(a) or (vi) above), in each case at a consideration less per security than 95 per cent. of the Current Market Price of such a security on the last Dealing Day preceding the date of the announcement of the terms of such issue or grant, then the Conversion Price shall be adjusted in relation to conversions, the Conversion Date for which falls after the Record Date for such issue or, as the case may be, such grant, by multiplying the Conversion Price in effect immediately prior to that Record Date by the fraction:-

$$\frac{A - B}{A}$$

where:-

A = the Current Market Price of an Ordinary Share on the last Dealing Day preceding such Record Date; and

B = the Market Value as at such Record Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective immediately after the Record Date for the issue of the securities or the date of grant of the options, warrants or rights (as the case may be).

- (viii) On any calculation of any adjustment, the resultant Conversion Price shall be rounded down to the nearest HK\$0.0001. No adjustment shall be made to the Conversion Price which would amount to less than one per cent. of the Conversion Price then in effect. Any adjustment which by reason of the foregoing is not required to be made, and any amount by which the Conversion Price has been rounded down, shall be in so far as permitted by and in accordance with applicable law be carried forward

and taken into account in any subsequent adjustment. Notice of any adjustments shall be given to Preference Shareholders.

- (ix) The Conversion Price may only be reduced so that on conversion Ordinary Shares would fall to be issued at a discount to their nominal value (HK\$0.10 at the date of the adoption of this Bye-law) if the Company, in so far as may be permitted by and in accordance with applicable law, establishes and maintains a reserve to be applied in paying up such amounts on the Ordinary Shares to be issued on conversion as may be necessary to ensure that they are not issued at a discount. The Company will procure that no steps are taken which would result in the Conversion Price being reduced below the nominal value of the Ordinary Shares without establishing and maintaining, in so far as may be permitted by and in accordance with applicable law, such a reserve sufficient to meet any deficit on the nominal value of such Ordinary Shares.
  - (x) In any circumstances where the Company (in accordance with sub-paragraph (A)(vii)) makes an issue of securities or grants options, warrants or rights to subscribe or purchase any securities which are not quoted on a stock exchange, the Directors shall, or if in any other circumstances the Directors consider that the application of the provisions of this Bye-law relating to adjustments of the Conversion Price would or might not fairly and appropriately reflect the respective interests of the persons affected thereby, the Directors may, appoint a Bank to consider whether (in the latter case) it agrees and (in each case) whether, for any reason whatever, an adjustment should be made or not made or should be calculated on a different basis from that set out herein and, if such Bank considers any of the foregoing to be the case, the adjustment shall be made, modified or nullified in such manner (including, without limitation, by making an adjustment on a different basis) as shall be certified by such Bank to be, in its opinion, appropriate.
- (B) For the purposes of any calculation of the consideration receivable pursuant to sub-paragraphs (A)(ii), (iii), (vi) and/or (vii), the following provisions shall be applicable:-
- (i) in the case of the issue of Ordinary Shares for cash, the aggregate consideration receivable shall be the

gross amount of such cash, provided that in no case shall any deduction be made for any commissions or any fees or expenses paid or incurred by the Company for any management or underwriting of the issue or otherwise in connection therewith; and

- (ii) in the case of the issue of securities convertible into or exchangeable for, or carrying rights of subscription for, or the grant of any options, warrants or rights to subscribe or purchase, Ordinary Shares (a) the aggregate consideration receivable by the Company therefor shall be deemed to be the consideration received or receivable by the Company for any such securities or any such grant plus the additional consideration (if any) receivable by the Company upon conversion or exchange thereof, or upon exercise of such rights or subscription attached thereto or such options, warrants or rights (the consideration in each case to be determined subject to the proviso in (i) above) and (b) the consideration per Ordinary Share receivable by the Company (again determined subject to the proviso in (i) above) upon conversion or exchange of, or upon exercise of such rights or subscription attached to, such securities or such options, warrants or rights shall be such aggregate consideration (if the Closing Price is expressed in Hong Kong dollars translated into Hong Kong dollars, if expressed in a currency other than Hong Kong dollars, at the average of the spot selling and the spot buying rates, between Hong Kong dollars and such other currency, of The Hongkong and Shanghai Banking Corporation Limited (or such other bank as the Directors may consider to be more appropriate) or, if the Closing Price is expressed in a currency other than Hong Kong dollars, translated into such other currency, at the average of the spot selling and the spot buying rates, between the currency in which such aggregate consideration is expressed and the currency in which the Closing Price is expressed, of such bank as the Directors may consider to be appropriate, at or about 11.00 a.m. in Hong Kong (or such other place as such other bank shall be situate) on the date of issue of such securities) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the conversion, exchange or subscription price or rate relating thereto.

## **Undertakings**

- (8) So long as any Preference Share remains capable of being converted into Ordinary Shares:-
- (A) the Company will use its best endeavours (i) to maintain a listing for all the issued Ordinary Shares on the Hong Kong Stock Exchange, (ii) to obtain and maintain a listing on the Hong Kong Stock Exchange for all Relevant Ordinary Shares and (iii) to obtain and maintain a listing for the Preference Shares on the Luxembourg Stock Exchange;
  - (B) if an offer is made to the holders of Ordinary Shares (or all such shareholders other than the offeror and/or any company controlled by the offeror and/or any persons acting in concert with the offeror) to acquire the whole or any part of the Ordinary Shares and the Company becomes aware that the right to cast more than fifty per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such companies or persons aforesaid, the Company shall give notice to all Preference Shareholders of such vesting or future vesting within 7 days of its becoming so aware;
  - (C) the Company will send to each Preference Shareholder, by way of information, one copy of every circular, notice or other document sent to any other shareholders in the Company in their capacity as shareholders, at the same time as it is sent to such other shareholders;
  - (D) the Company shall procure that there shall be sufficient authorised but unissued ordinary share capital available for the purposes of satisfying the requirements of any Conversion Notice as may be given and the terms of any other securities for the time being in issue which are convertible into or have the right to subscribe for Ordinary Shares in the Company;
  - (E) the Company shall not, without the consent of the Preference Shareholders as a class (obtained in the manner provided in these Bye-laws):-
    - (i) modify, vary, alter or abrogate the rights attaching to the Ordinary Shares as a class, which (for the avoidance of doubt) shall not be deemed to be so modified, varied, altered or abrogated by the creation or issue of any shares or securities contemplated by this Bye-law; or

- (ii) change the date to which its annual accounts are made up from 31st December; or
  - (iii) effect any repurchase of the Preference Shares otherwise than is provided for in these Bye-laws; or
  - (iv) issue any shares, other than Ordinary Shares, constituting Equity Share Capital of the Company;
- (F) if the Company shall issue any further preference shares or any shares ranking pari passu with the Preference Shares as regards income or other distribution or return of capital which shares carry a right to vote at any general meeting of the Company which is more favourable than that attaching to the Preference Shares, then, unless the Preference Shareholders as a class shall have first approved (in the manner provided in these Bye-laws) such issue, there shall automatically be conferred on the Preference Shareholders the right to receive notice of, and to attend and vote at, all general meetings of the Company thereafter as set out in paragraph (11) below as if the Dividend were more than six months in arrears; and
- (G) the Company shall pay all capital and stamp duties payable in Bermuda or Hong Kong, if any, in respect of the issue of Relevant Ordinary Shares upon conversion of any Preference Shares.

### **Redemption**

- (9) (A) Subject to any fiscal or other legislation applicable to the Company, the Company may give a Redemption Notice at any time provided that, subject to sub-paragraph (B), such notice shall not be effective if the Redemption Date is before the third anniversary of the Closing Date. Such Redemption Notice shall be irrevocable.
- (B) The Company may give a Redemption Notice in respect of all, but not some only, of the Preference Shares, if, at the time when such notice is given the Company would be required for reasons outside its control to pay any additional amounts pursuant to paragraph (14).
- (C) In the case of a partial redemption, the Preference Shares to be redeemed shall be selected individually by lot in such place as the Directors shall select and in such manner as the Directors shall deem to be appropriate and fair, not more than 60 days prior to the Redemption Date, and notice containing a list of Preference Shares called for redemption, and the Redemption Date, shall be published in accordance with

paragraph (15) (A) not less than 30 days prior to such date.

- (D) In the case of a redemption under sub-paragraph (B), the redemption price per Preference Share shall be its Reference Amount and, in the case of a redemption under sub-paragraph (A), the redemption price shall be either (a) in US dollars calculated in accordance with the following table (expressed as percentages of the Reference Amount of a Preference Share):-

<b>Redemption Date falls within the 12 months commencing the Dividend Payment Date in</b>	<b>Redemption Price per Preference Share</b>
1996 (or third anniversary)	104 per cent.
1997 (or fourth anniversary)	103 per cent.
1998 (or fifth anniversary)	102 per cent.
1999 (or sixth anniversary)	101 per cent.
and thereafter	100 per cent.

together, in each case, with a sum equal to any arrears and accruals of the Dividend thereon, calculated down to the date of redemption or (b) at the option of the Company (provided that all arrears of Dividend have been paid) by the issue of such number of Ordinary Shares per Preference Share as shall be obtained by dividing the Hong Kong dollar equivalent of the relevant redemption price of a Preference Share under (a) above (calculated at the fixed exchange rate of HK\$7.730255 = US\$1.00) by the figure that shall be 95 per cent. of the average daily Closing Price of the Ordinary Shares on the Hong Kong Stock Exchange for the five Dealing Days ending on the seventh day prior to the date on which notice of such redemption is first given to Preference Shareholders.

- (E) Unless previously redeemed or converted, the Preference Shares shall be redeemed on the fifteenth anniversary of the Closing Date at US\$1,000 per Preference Share, or at the option of the Company, on giving not less than 30 nor more than 60 days' notice to the Preference Shareholders, which notice shall be irrevocable, by the issue to the holders of Preference Shares of such number of Ordinary Shares per Preference Share as shall be obtained by dividing the Hong Kong dollar equivalent of US\$1,000 (calculated at the fixed exchange rate of HK\$7.730255 = US\$1.00) by the figure that shall be 95 per cent. of the average daily Closing Price of the Ordinary Shares on the Hong Kong Stock Exchange for the five Dealing Days ending seven days before the Dividend Payment Date in 2008.



- (F) The holder of any Relevant Preference Share shall, on or before the Redemption Date, deliver the certificate relating to the Relevant Preference Share and such other evidence (if any) as the Directors may reasonably require to prove the title of the holder (or, if such certificate has been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require) to the Company at the place specified for such purpose in the relevant Redemption Notice.
- (G) At 12:00 noon in Hong Kong on the Redemption Date the Company shall redeem the Relevant Preference Shares and, upon delivery, on or after the Redemption Date, of the certificate or other evidence of title and indemnity referred to in sub-paragraph (F), the Company shall pay the relevant Preference Shareholder the redemption price together with a sum equal to any arrears and, where applicable, accruals of Dividend to which he is entitled pursuant to sub-paragraph (2)(C), provided, however that, other than in the case of redemption under sub-paragraph (B), the Relevant Preference Shares may not be so redeemed unless the average of the Closing Price of an Ordinary Share on each Dealing Day during the period of 30 days ending on the seventh day prior to the date on which notice of such redemption is first given to the holders of Relevant Preference Shares shall have been equal to or greater than 140 per cent. of the Conversion Price in effect on such seventh day.

### **Purchase**

- (10) Subject to the provisions of all legislation or regulations relevant to the Company, the Company or any of its subsidiaries may at any time purchase any of the Preference Shares in the open market or by tender (available to all Preference Shareholders alike) at any price. Any Preference Shares so purchased or otherwise acquired by the Company or any of its subsidiaries may not be resold provided that nothing in this paragraph shall prohibit transfers of Preference Shares from any subsidiary of the Company to the Company or any other subsidiary of the Company.

### **Meetings**

- (11) (A) Subject as provided in sub-paragraph (8)(F), the Preference Shares shall not confer on the holders thereof the right to receive notice of, or to attend and vote at, a general meeting of the Company, unless:-
- (i) at the date when the notices of a general meeting of the Company are given the Dividend is six months or more in arrears, in which event the relevant

Preference Shares shall confer on the holders thereof the right to receive notice of and, unless all such arrears have been paid prior to the time for holding the meeting, to attend and vote at that general meeting; or

(ii) a resolution is to be proposed at a general meeting of the Company for winding-up the Company or a resolution is to be proposed which if passed would (subject to any consents required for such purpose being obtained) vary or abrogate the rights or privileges of the Preference Shareholders, in which event the Preference Shares shall confer on the holders thereof the right to receive notice of, and to attend and vote at, that general meeting, save that such holders may not vote upon any business dealt with at such general meeting except the election of a Chairman, any motion for adjournment and the resolution for winding-up or the resolution which if passed would (subject to any consents required for such purpose being obtained) so vary or abrogate the rights and privileges of the Preference Shareholders.

(B) Where Preference Shareholders are entitled to vote on any resolution then, at the relevant general meeting or class meeting of the Preference Shareholders, on a show of hands every Preference Shareholder who is present in person or (being a corporation) by a duly authorised representative shall have one vote and on a poll every Preference Shareholder who is present in person or by proxy or attorney or (being a corporation) by a duly authorised representative shall have one vote for each Ordinary Share into which each Preference Share held by him would be converted if the Conversion Date for such Preference Shares were the date 48 hours preceding the date of such general meeting or class meeting of the Preference Shareholders.

**Payments etc.**

(12) (A) Unless any other manner of payment is agreed between the Company and any Preference Shareholder, payments of Dividend, other cash distributions and moneys due on conversion or redemption to such Preference Shareholder shall be made by the Company posting a cheque or warrant in US dollars (or in the case of payments which are to be made in another currency, such other currency) addressed to that Preference Shareholder at his registered address as at the relevant Record Date and at his risk. Payment shall be deemed to have been made at the time of posting unless the relevant cheque or warrant is not honoured on presentation.

- (B) Subject to sub-paragraph (A), where any property (including Relevant Ordinary Shares and share certificates in respect of them) is to be allotted, transferred or delivered to any Preference Shareholder the Company may make such arrangements with regard to such allotment, transfer or delivery as it may deem appropriate and in particular, without limitation, may appoint any person on behalf of that Preference Shareholder to execute any transfers, renunciations or other documents and may make arrangements for the delivery of any documents or property to that Preference Shareholder at his risk. All share certificates and other documents of title to which any person is entitled shall be posted to him by the Company addressed to him at his registered address as at the relevant Record Date or, if none, the date of posting and at his risk.
- (C) If at any time any payments (whether by way of distribution or on a return of capital or otherwise) which are required to be made *pari passu* as between the holders of the Preference Shares and such other shares as rank *pari passu* with the Preference Shares as regards the relevant payment shall not be made in full, in determining the amounts payable to the Preference Shareholders such amounts shall be calculated in the currency in which the Company makes up its accounts at the relevant time and, if not US dollars, converted into US dollars at the average of the spot selling and spot buying rates, between US dollars and such other currency, of The Hongkong and Shanghai Banking Corporation Limited (or such other bank as the Directors shall consider to be more appropriate) at or about 11.00 a.m. in Hong Kong (or such place as such other bank shall be situate) on:-
- (i) in the case of any distribution, the date on which such distribution is declared;
  - (ii) in the case of a return of capital, the date on which such return of capital shall become due; and
  - (iii) in the case of any other payment, the date on which such payment shall become due.
- (D) All payments or distributions with respect to Preference Shares held jointly by two or more persons shall be paid or made to whichever of such persons is named first in the register of Preference Shareholders and the making of any payment or distribution in accordance with this sub-paragraph shall discharge the liability of the Company in respect thereof.

## **Fractions**

- (13) No fraction of an Ordinary Share arising on conversion will be allotted to the holder of the Relevant Preference Share(s) otherwise entitled thereto but such fractions will, when practicable, be aggregated and sold and the net proceeds of sale will then be distributed pro rata among such holders unless in respect of any holding of Relevant Preference Shares the amount to be so distributed would be less than US\$5 (or its equivalent in another currency at a prevailing exchange rate selected by the Directors), in which case such amount will not be so distributed but will be retained for the benefit of the Company. Unless otherwise agreed between the Company and a Converting Shareholder, if more than one Preference Share shall fall to be converted pursuant to any one Conversion Notice, the number of Ordinary Shares to be issued upon conversion shall be calculated on the basis of the aggregate Reference Amount of the Relevant Preference Shares. For the purpose of implementing the provisions of this sub-paragraph, the Company may appoint some person to execute transfers, renunciations or other documents on behalf of persons entitled to any such fraction and generally may make all arrangements which appear to it to be necessary or appropriate for the settlement and disposal of fractional entitlements.

## **Taxation**

- (14) All payments in respect of the Reference Amount, premium (if any) and Dividend in respect of Preference Shares shall be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Bermuda or Hong Kong or any authority therein or thereof unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, subject to the Company having sufficient profits available for distribution, the Company shall pay such additional amounts as may be necessary in order that the net amounts received by the Preference Shareholders after such withholdings or deduction shall equal the respective amounts of the Reference Amount, premium (if any) and Dividend which would have been receivable in respect of the Preference Shares in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Preference Shareholder:-
- (a) who is liable to such taxes, duties, assessments or governmental charges in respect of such Preference Shares by reason of his having some connection with Bermuda or (as the case may be) Hong Kong other than by virtue of his being a Preference Shareholder; or

- (b) receiving such payment in Bermuda or (as the case may be) Hong Kong and who would be able to avoid such withholding or deduction by satisfying any statutory requirements or by making a declaration of non-residence or other similar claim for exemption to the Bermuda (or as the case may be) Hong Kong tax authority but fails to do so.

To the extent that the Company shall have insufficient profits available for distribution in order to permit it to pay all or any of such additional amounts as aforesaid the amount of any shortfall shall be treated for all purposes as arrears of Dividend.

### **Notices**

- (15) (A) The provision of Bye-law 176 shall apply to the giving of notices to Preference Shareholders and all notices required to be given to Preference Shareholders, all notices required to be published by sub-paragraph (9)(C) and all notices permitted to be published by the definition of "Registrar's Office" shall, so long as any Preference Shares are listed on the Luxembourg Stock Exchange, be published in the Financial Times in London and the Luxemburger Wort in Luxembourg, or in such other newspaper or newspapers in London and Luxembourg as may from time to time be designated by the Company for such purpose and notified to the Preference Shareholders. Any Redemption Notice shall, for the purposes of this Bye-law, be deemed to have been given to Preference Shareholders at the time of such publication.
- (B) A notice given pursuant to this Bye-law shall be irrevocable except, in the case of a Conversion Notice, with the consent in writing of the Company.

### **Transfers and Certificates**

- (16) (A) Subject to the provisions of this Bye-law, the provisions of the Bye-laws relating to the transfer of shares and share certificates shall apply in relation to the Preference Shares. An instrument of transfer in respect of a Preference Share shall be signed by or on behalf of the transferor but need not be signed by or on behalf of the transferee.
- (B) The Company shall maintain a branch register of Preference Shares at the Registrar's Office in Hong Kong.
- (C) Upon the conversion or redemption of some of the Preference Shares included in a Preference Share certificate, either that certificate shall be cancelled and a new certificate issued in its place in respect of the Preference Shares included in that

certificate and not so converted or redeemed or that certificate shall be endorsed as to the number of Preference Shares converted or redeemed and/or the balance of Preference Shares to which such certificate relates as may be agreed between the Company and relevant Preference Shareholders.

### **Prescription**

- (17) Any Preference Shareholder who has failed to claim distributions or other property or rights within 12 years of their having been made available to him will not thereafter be able to claim such distributions or other property or rights, which shall be forfeited and shall revert to the Company. The Company shall retain such distributions or other property or rights but shall not at any time be a trustee in respect of any such distributions or other property or rights nor accountable for any income or other benefits derived therefrom.

### **Dates and Times**

- (18) Unless the context otherwise requires, all references in this Bye-law to dates and times are to dates and times in Hong Kong.

### **Changes in Applicable Law**

190. [Intentionally deleted].

Amended  
pursuant to a  
special resolution  
passed on 26th  
June, 1996

Redesignated  
pursuant to a  
special resolution  
passed on 3rd  
December, 1993