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

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Tibet Water Resources Ltd.

西藏水資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1115)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
**(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES;**
(3) PROPOSED ADOPTION OF THE 2023 SHARE OPTION SCHEME;
**(4) PROPOSED AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF
NEW MEMORANDUM AND ARTICLES OF ASSOCIATION;**
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of Tibet Water Resources Ltd. to be held at Level 22, Nexxus Building, 41 Connaught Road Central, Hong Kong on Friday, 30 June 2023 at 11:00 a.m. is set out on pages V-1 to V-6 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed.

If you are not able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours (Hong Kong time) before the time appointed for the holding of the Annual General Meeting (i.e. before 11:00 a.m. on Wednesday, 28 June 2023) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereon should you so wish.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Board	
1. Introduction	5
2. Proposed Re-election of Retiring Directors	6
3. Proposed Granting of General Mandates to Repurchase and Issue Shares	7
4. Proposed Adoption of the 2023 Share Option Scheme	8
5. Proposed Amendments to the Memorandum and Articles of Association and Proposed Adoption of New Memorandum and Articles of Association	15
6. Annual General Meeting and Proxy Arrangement	17
7. Closure of Register of Members	18
8. Recommendation	18
9. Responsibility Statement	18
 Appendix I — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting	
	I-1
 Appendix II — Explanatory Statement on the Share Repurchase Mandate	
	II-1
 Appendix III — Summary of the Principal Terms of the 2023 Share Option Scheme	
	III-1
 Appendix IV — Particulars of the Proposed Amendments to the Memorandum and Articles of Association	
	IV-1
 Appendix V — Notice of Annual General Meeting	
	V-1
 Accompanying Document — Form of Proxy	

DEFINITIONS

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

“2023 Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular;
“Adoption Date”	the date on which the 2023 Share Option Scheme is conditionally adopted by an ordinary resolution of the Shareholders;
“Annual General Meeting” or “AGM”	an annual general meeting of the Company to be held at Level 22, Nexxus Building, 41 Connaught Road Central, Hong Kong on Friday, 30 June 2023 at 11:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages V-1 to V-6 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“associate(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Audit Committee”	the audit committee of the Company;
“Board”	the board of Directors;
“business day”	shall have the meaning ascribed to it in the Listing Rules;
“chief executive”	shall have the meaning ascribed to it in the Listing Rules;
“close associate(s)”	shall have the meaning ascribed to it in the Listing Rules;
“Company”	Tibet Water Resources Ltd. (西藏水資源有限公司), a company incorporated in the Cayman Islands on 8 November 2010 as an exempted company and the issued Shares of which are listed on the Main Board of the Stock Exchange;
“core connected person”	shall have the meaning ascribed to it in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Participants”	(a) the Employee Participants; (b) the Related Entity Participants; and (c) the Service Providers;

DEFINITIONS

“Employee Participants”	directors and employees of the Company or any of its Subsidiaries (including persons who are granted Options as an inducement to enter into employment contracts with the Company or any of its Subsidiaries);
“Group”	the Company and its subsidiaries;
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the 2023 Share Option Scheme, or (where the context so permits) any person who is entitled, in accordance with the laws of succession applicable, to exercise any Option to the extent not already exercised in consequence of the death of an original Grantee;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Issuance Mandate”	the issuance mandate referred to in paragraph 3(b) of the Letter from the Board;
“Latest Practicable Date”	25 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nomination Committee”	the nomination committee of the Company;
“Offer”	an offer for the grant of an Option in accordance with the terms of the 2023 Share Option Scheme;
“Offer Date”	the date on which an Offer is made to an Eligible Participant pursuant to the 2023 Share Option Scheme, which date must be a business day;
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the 2023 Share Option Scheme;
“PRC”	The People’s Republic of China;
“Related Entities”	the holding companies, fellow subsidiaries or associated companies of the Company;

DEFINITIONS

“Related Entity Participants”	directors and employees of the Related Entities;
“Remuneration Committee”	the remuneration committee of the Company;
“Risk Management Committee”	the risk management committee of the Company;
“senior manager”	a senior manager disclosed in the Company’s annual report as required under paragraph 12 of Appendix 16 to the Listing Rules;
“Service Providers”	<p>persons who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, including but not limited to any of the following persons:-</p> <ul style="list-style-type: none">(a) persons or entities (as independent contractors, consultants, advisors or otherwise) that provide support or any advisory, consultancy, professional or other services (such as, without limitation, support or services in relation to design, research and development, marketing, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies) to any members of the Group;(b) suppliers of goods to any member of the Group; and(c) joint venture partners, franchisees, distributors, agents or other business partners of any members of the Group, <p>provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be Service Providers for the purpose of the 2023 Share Option Scheme;</p>
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Share Repurchase Mandate”	the share repurchase mandate referred to in paragraph 3(a) of the Letter from the Board;
“Shareholder(s)”	holder(s) of Share(s);

DEFINITIONS

“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the 2023 Share Option Scheme;
“Subsidiary”	any company which is for the time being and from time to time a subsidiary (within the meaning ascribed thereto under the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere;
“substantial shareholder”	shall have the meaning ascribed to it in the Listing Rules;
“Takeovers Codes”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong;
“%”	per cent; and
“*”	for identification purpose only.

References to time and dates in this circular are to Hong Kong time and dates.



Tibet Water Resources Ltd.

西藏水資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1115)

Executive Directors:

Mr. YAN Qingjiang
Mr. CHOW Wai Kit
Mr. CHENG Gwan Sing

Non-executive Directors:

Ms. JIANG Xiaohong
Mr. XIE Kun
Mr. WEI Zheming

Independent Non-executive Directors:

Dr. ZHANG Chunlong (*Chairman*)
Mr. LO Wai Hung
Ms. LIN Ting

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Headquarters and Principal Place
of Business in Hong Kong:*

Unit D, 23rd Floor
United Centre, 95 Queensway
Admiralty
Hong Kong

30 May 2023

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE NEW SHARES;
(3) PROPOSED ADOPTION OF THE 2023 SHARE OPTION SCHEME;
(4) PROPOSED AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF
NEW MEMORANDUM AND ARTICLES OF ASSOCIATION;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of the retiring

LETTER FROM THE BOARD

Directors; (ii) the granting to the Directors of the Share Repurchase Mandate and the Issuance Mandate to repurchase Shares and to issue new Shares; (iii) the adoption of the 2023 Share Option Scheme; and (iv) amendments to the memorandum and articles of association of the Company and proposed adoption of new memorandum and articles of association of the Company; and to give you the notice of the Annual General Meeting.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election as a Director.

Dr. ZHANG Chunlong (“**Dr. ZHANG**”) and Ms. LIN Ting (“**Ms. LIN**”) were appointed as independent non-executive Directors by the Board with effect from 8 July 2022. In accordance with Article 83(3) of the Articles of Association, Dr. ZHANG and Ms. LIN shall retire, and being eligible, have offered themselves for re-election at the Annual General Meeting.

According to Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one-third) will retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. According to Article 84(2) of the Articles of Association, any Director appointed by the Board pursuant to Article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

In accordance with Article 84(1) of the Articles of Association, Ms. JIANG Xiaohong (“**Ms. JIANG**”), Mr. CHOW Wai Kit (“**Mr. CHOW**”) and Mr. WEI Zheming (“**Mr. WEI**”) shall retire by rotation, and being eligible, have offered themselves for re-election at the Annual General Meeting.

Regarding the nomination of the above mentioned retiring Directors for re-election at the Annual General Meeting, the Nomination Committee and the Board had taken into account their respective contributions to the Board and their commitment to their roles, meritocracy and various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, their respective professional experience (e.g. legal, accounting, finance and capital operation, etc.), skills, knowledge and length of service.

During the past year, Dr. ZHANG (since appointment), Ms. LIN (since appointment), Ms. JIANG, Mr. CHOW and Mr. WEI had very good attendance in all Board meetings, relevant board committee meetings and general meetings of the Company.

Each of Dr. ZHANG and Ms. LIN has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board have also assessed and reviewed their confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules, and are satisfied that they remain independent.

LETTER FROM THE BOARD

During the tenure of office of Dr. ZHANG and Ms. LIN, they have discharged their duties as independent non-executive Directors to the satisfaction of the Board. They have been providing fresh perspectives, objective insights and independent judgment on matters that came to the attention of the Board and the relevant board committees of the Company. The Board has benefited from the presence and experience of Dr. ZHANG and Ms. LIN since their appointment.

The Nomination Committee and the Board are also of the view that Dr. ZHANG and Ms. LIN as independent non-executive Directors contribute to the diversity of the Board given their perspectives, skills, expertise and experience as further described in their biographies in Appendix I to this circular. Both Directors accumulated extensive experience in corporate management through their directorships in various sizeable companies. With reference to their past contributions to the Company during their tenure, the Board is of the view that they are able to complement the professional background of the composition of the Board in terms of expertise in banking and corporate management.

As such, the Board nominated Dr. ZHANG and Ms. LIN as independent non-executive Directors for re-election and believes their re-election as independent non-executive Directors is in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to re-elect them at the AGM.

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

3. PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

By Shareholders' ordinary resolution passed on 30 June 2022, general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting.

Since the Company was listed on the Main Board of the Stock Exchange in 2011, general mandates were granted to the Directors to repurchase and issue Shares in nine annual general meetings of the Company, except the ones on 30 June 2021 (but such general mandates were subsequently granted at the extraordinary general meeting held on 11 August 2021) and 30 June 2022 (where only the general mandate to repurchase Shares was granted). In order to give the Company the financial flexibility to capture real time market opportunities as well as enhance Shares' value timely through repurchasing and issuing Shares as and when appropriate, the Board considers that it is in the interests of the Company and the Shareholders as a whole to grant the Directors such mandates and proposes to the Shareholders to consider the following ordinary resolutions which will be proposed at the Annual General Meeting to approve:

- (a) the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the aggregate number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 4 of the notice of the Annual General Meeting as set out on pages V-1 to V-6 of this circular (i.e. an aggregate number of 407,918,800 Shares on the basis that the number of issued Shares remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting);

LETTER FROM THE BOARD

- (b) the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the aggregate number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages V-1 to V-6 of this circular (i.e. an aggregate number of 815,837,600 Shares on the basis that the number of issued Shares remains unchanged from the Latest Practicable Date to the date of the Annual General Meeting); and
- (c) the extension of the number of Shares which may be allotted, issued or dealt with under the Issuance Mandate by the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate (i.e. up to a maximum of 10% of the number of issued Shares as at the date of the grant of the Share Repurchase Mandate).

With reference to the Share Repurchase Mandate and the Issuance Mandate, as at the Latest Practicable Date, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED ADOPTION OF THE 2023 SHARE OPTION SCHEME

The Company previously adopted a share option scheme in 2012 and such scheme expired in accordance with its terms on 7 September 2022. No share options granted under the expired share option scheme remained outstanding. The Board is pleased to propose the adoption of the 2023 Share Option Scheme by the Company. Pursuant to Rule 17.02(1)(a) of the Listing Rules, the adoption of the 2023 Share Option Scheme is subject to, *inter alia*, the approval of the Shareholders at the Annual General Meeting.

The purpose of the 2023 Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to attract, retain, reward, remunerate, compensate and/or provide benefits to the Eligible Participants.

Eligible Participants include (a) the Employee Participants, (b) the Related Entity Participants and (c) the Service Providers. In determining the basis of eligibility of each Eligible Participant, the Board would take into account various criteria as more particularly set out in Appendix III to this circular (including but not limited to the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has given, or is likely to be able to give, towards the success of the Group). The assessing factors specific to each category of the Eligible Participants are set out in Appendix III to this circular.

The Directors (including the independent non-executive Directors) are of the view that the categories of the Related Entity Participants and the Service Providers are in line with the business needs of the Group and that the criteria for their selection align with the purpose of the 2023 Share Option Scheme. Apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including the Related Entity

LETTER FROM THE BOARD

Participants and the Service Providers) who have contributed to the Group or may contribute to the Group in the future. Grant of Options to the Related Entity Participants and the Service Providers would not only align the interest of the Group with such Eligible Participants, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of Options, the interest of such Eligible Participants will align with that of the Group in promoting the growth and development of the Group's business, which is desirable and necessary from a commercial perspective and helps maintain or enhance the competitiveness of the Group.

In respect of the Related Entity Participants, the Company and the Related Entity Participants have always had a close working relationship. At present, as the Company does not have any holding companies or fellow subsidiaries, the Related Entities include associated companies of the Company in which the Company has significant shareholding. These associated companies are engaged in the production of water products or the manufacture and supply of bottle preforms and caps in the Tibet region, which are critical to the development and expansion of the Group's water business. The close relationship and cooperation with these associates are also conducive to the Group's strategic cooperation with key corporations and partners and development of logistics network and retail sales model. Further, the Group centralizes procurement through an associated company in order to enhance the procurement efficiency and reduce costs. Although the Related Entity Participants may not be directly appointed or employed by the members of the Group, they are nonetheless valuable to the Group given their close corporate and collaborative relationships. They may be involved in business engagements relating to or having connections with the Group's businesses. In particular, for those Related Entities in which the Group has significant interest, their growth and development would contribute to the financial performance of the Group, thereby allowing the Group to share and benefit from the positive results of these Related Entities.

In respect of the Service Providers, the Group has, in its ordinary and usual course of business, always relied on the services of the Service Providers (including but not limited to distributors, partners of brand businesses development, contractors for marketing campaigns, consultants and suppliers). For example, the Group relies on the distributors to sell our water and beer products in key market channels such as airlines, hotels, cinemas, restaurants and entertainment venues. The Group also has long-term cooperative logistics suppliers to deliver water products to the designated locations of the end customers. It is believed that the Group's success is attributable to the high quality of goods and services provided by such persons, entities and suppliers even though they may not always be able to serve as full-time or part-time employees of the Group due to a variety of reasons. The Company has previously granted options, which have been lapsed, under the expired share option scheme to a Service Provider which is a distributor of the Group. The Company appreciates the participation and contributions made by our business partners and would like to give them share-based incentives so as to, among other things, motivate them to achieve higher sales and performance targets, make more purchase orders from the Group and follow the marketing strategy of the Group, which will in turn further increase the Group's sales. Moreover, the Group considers that attracting more of such business partners and exploring potential business opportunities with them would help to promote the corporate and brand image of the Group.

LETTER FROM THE BOARD

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the inclusion of the Employee Participants, the Related Entity Participants and the Service Providers as Eligible Participants is in the long term interests of the Company and the Shareholders as a whole and is consistent with the purpose of the 2023 Share Option Scheme, which enables the Company to encourage persons both inside and outside of the Group to contribute to the Group and to align the interests of the Group and the Eligible Participants who, by holding equity incentives, will benefit from the long-term growth of the Group.

More specifically, the Board (including the independent non-executive Directors) is of the view that:

- (i) the Group may from time to time enlist assistance and support from Related Entities (including the associated companies of the Company as mentioned above) in projects or other business engagements relating to or having connections with the Group's businesses, given their close corporate and collaborative relationships with the Group. As such, it is important to recognise the contribution or future contribution of the Related Entity Participants by giving them incentive through their participation in the 2023 Share Option Scheme. It is therefore in the interest of the Company and the Shareholders, and is in line with the objectives of the 2023 Share Option Scheme to include the Related Entity Participants, who the Company can incentivize with the grant of Options in order to strengthen their loyalty with the Group even though they may not be directly employed by the Group, and to in turn facilitate a higher degree of collaboration and closer business relationships and ties between the Related Entities and the Group; and
- (ii) the Group may from time to time collaborate with the Service Providers and the Group believes that they could play significant roles in the Group's business development by contributing their specialized skills. Furthermore, in view of the rapid change in market situation, the Group may require new types of professional services to be provided by the Service Providers on a continuing or recurring basis to cope with its demand for new initiatives, projects and focuses and to support its expansion plans from time to time. In such case, the Board will determine whether the Service Providers providing professional services are eligible to participate in the 2023 Share Option Scheme based on whether such professional services provided are in line with the Company's business need and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, having regard to the Group's key business segments and focuses from time to time. Such Service Providers may not be able to serve as full-time or part-time employees, directors or officers of the Group due to a variety of reasons. For example, these Service Providers may be seasoned people in their own fields and professionals with extensive business connections which the Group may not be able to recruit them as employees, or they may prefer to be employed on self-employed basis which is in line with industry norm, and the Company may need to outsource such functions and procure services from external vendors or suppliers, or is unable to turn to internal resources for these kind of specialised support due to various restraints.

LETTER FROM THE BOARD

Recognising the contribution of the Related Entity Participants and the Service Providers as mentioned above may enhance their performance and further contribution to the Company which are essential to the sustainable and successful development of the Company. Through the grant of the Options, such Eligible Participants and the Group will work towards a common goal of augmenting the growth and development of the Group's business, providing them the opportunity to partake in the Group's future prospects and benefit from additional rewards through their sustained and long-term contributions. Based on the above, the Board (including the independent non-executive Directors) considers that the inclusion of the Related Entity Participants and the Service Providers as Eligible Participants is in line with the Company's business needs and the industry norm of providing equity based payment to stakeholders in order to align interests and incentivise performance and contribution, since it is desirable and necessary to sustain and foster these business relationships on a long-term basis.

The Scheme Mandate Limit (as defined in Appendix III to this circular) is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other share schemes of the Company, which shall not exceed 10% of the total number of Shares in issue on the Adoption Date. The Service Provider Sublimit (as defined in Appendix III to this circular), being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2023 Share Option Scheme and any other share schemes of the Company, which shall not exceed 5% of the total number of Shares in issue on the Adoption Date.

As at the Latest Practicable Date, there were 4,079,188,000 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit and the Service Provider Sublimit will be 407,918,800 Shares and 203,959,400 Shares respectively.

The Service Provider Sublimit was determined after considering the potential dilution effect arising from grants of Options to the Service Providers; the importance of striking a balance between achieving the purpose of the 2023 Share Option Scheme and protecting Shareholders from the dilution effect from granting a substantial amount of Options to the Service Providers; the actual or expected increase in the Group's revenue or profits which is attributable to the Service Providers; the extent of use of the Service Providers in the Group's business; the relevance and significance of the Service Providers to the main businesses of the Group; the industry norm with reference to companies with similar business models; the fact that the Company expects a substantial part of the Options will be granted to Service Providers given that the quality services provided and to be provided by the Service Providers play a substantial part in the development and continued success of the Group's business and operation and as such there is a need to reserve a larger portion of the Scheme Mandate Limit for grants of Options to the Service Providers; and the grants of share options made by the Company historically. Under the expired share option scheme, the Company granted share options (which have already lapsed) to subscribe for a total of 25,200,000 Shares, representing approximately one-tenth of the 10% limit on the maximum number of Shares in respect of which options may be granted under the expired share option scheme. Such share options were granted to a distributor of the Group for the distribution of Tibet 5100 Glacial Spring Water in Mainland China and Hong Kong. No other share

LETTER FROM THE BOARD

options had been granted by the Company under the expired share option scheme. Since the said grant of share options, there has been a change in the Group's distributor base. Previously, the Group had fewer, but a higher concentration of, distributors. Share options were granted to a major distributor mainly with a view to retaining the same. With the development of our business and diversification of our distributor base, on the one hand, the number of distributors engaged has been increasing and our sales channels have also been expanding in terms of number and variety. On the other hand, it becomes necessary not only to retain existing distributors but also to incentivize new distributors to achieve higher sales targets for the benefit of the Group's business. In view of these changes, a higher Service Provider Sublimit is considered appropriate and necessary and it is expected that up to 50% of the Scheme Mandate Limit may be utilized for grants of Options to the Service Providers.

The Group is principally engaged in the production and sales of water products and beer products in the PRC and adopts a distributorship model for its products. During the ordinary and usual course of business of the Group, the Group will from time to time require services from the Service Providers for its main businesses, including but not limited to (i) distributors and other business partners of any members of the Group; (ii) persons or entities that provide support or advisory, consultancy, professional or other services to any members of the Group; and (iii) suppliers of goods to any members of the Group. All of such services are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields and they contribute to a substantial part of development and growth of the Group which would be taken into consideration when the Board considers a grant of Options. It is expected that the Group's continued success will benefit from the different expertise that the Service Providers could provide to the Group. As such, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable considering the nature of the industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2023 Share Option Scheme.

The Service Provider Sublimit is subject to separate approval by the Shareholders at the Annual General Meeting. In case the adoption of the 2023 Share Option Scheme is approved by the Shareholders at the Annual General Meeting but the Service Provider Sublimit is not so approved by the Shareholders, no Option shall be granted to any Service Provider and the Service Provider Sublimit shall be deemed to be nil Share, but the Company may, as and when appropriate and in compliance with all applicable requirements under the Listing Rules, seek Shareholders' approval of the same or a different sublimit on the total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company to the Service Providers. Before proposing such a sublimit for the Shareholders' re-consideration, the Board would ascertain and consider the reasons why the Service Provider Sublimit was not previously met with the Shareholders' approval (such as whether the disapproval was related to the inclusion of Service Providers as Eligible Participants, the categories of Service Providers or the percentage level of the Service Provider Sublimit), whether

LETTER FROM THE BOARD

there are other alternatives which could serve the same purpose of retaining or rewarding Service Providers, and all other relevant prevailing circumstances (including but not limited to the then business needs of the Company and industry norm), so as to make sure that such a sublimit is appropriate and in the interests of the Company and the Shareholders.

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants) as the Board may determine in its absolute discretion.

Grant of Options subject to vesting period, performance targets and/or clawback mechanism as determined by the Board on a case-by-case basis may provide incentives to the Grantees to continue to contribute to the growth of the Group. The Board (including the independent non-executive Directors) believes that the terms of the grants and the flexibility given to the Board under the 2023 Share Option Scheme in, *inter alia*, the determination of vesting period, performance targets and clawback mechanism on a case-by-case basis will serve to protect the value of the Company as well as to achieve the purpose of the 2023 Share Option Scheme.

The vesting period for an Option shall not be less than 12 months, save where the Board or (where the arrangements relate to grants of Options to the Directors and senior managers of the Company) the Remuneration Committee determines a shorter vesting period under the circumstances more particularly described in Appendix III to this circular. Such circumstances may (i) provide flexibility to grant Options as part of competitive terms to induce valuable talents to join the Group (paragraphs 5(a) and (e) of Appendix III); (ii) reward past contribution which may otherwise be neglected due to administrative or technical reasons (paragraphs 5(b) and (d) of Appendix III); (iii) reward exceptional performers with accelerated vesting (paragraphs 5(e) and (f) of Appendix III); and (iv) to motivate exceptional performers based on performance metrics rather than time (paragraph 5(c) of Appendix III). As there are certain instances where a strict 12-month vesting requirement would not work or would not be fair to the Grantees, to ensure the practicability in fully attaining the purpose of the 2023 Share Option Scheme, there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified and the Company should be allowed discretion to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances. The Board and the Remuneration Committee are of the view that such arrangements are appropriate because they are in line with the requirements under the Listing Rules and market practice, and give the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Option Scheme.

The Board will also determine the Subscription Price in respect of any Option pursuant to the terms of the 2023 Share Option Scheme, which shall be at least the highest of: (a) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date; and (b) the average closing price per Share as stated in the Stock Exchange's daily quotation sheets for the five

LETTER FROM THE BOARD

business days immediately preceding the Offer Date. The Board considers that such basis for determining the Subscription Price will serve to preserve the value of the Company while encouraging the Grantees to acquire proprietary interests in the Company, and hence serve the purpose of the 2023 Share Option Scheme.

Based on the above, the Board considers that the adoption of the 2023 Share Option Scheme is in the interests of the Company and the Shareholders as a whole, and would enable the purpose of the 2023 Share Option Scheme to be achieved.

A summary of the principal terms of the 2023 Share Option Scheme is set out in Appendix III to this circular. This serves as a summary of the terms of the 2023 Share Option Scheme but does not constitute the full terms of the same.

The 2023 Share Option Scheme does not have a trustee and hence none of the Directors is and will be a trustee of the 2023 Share Option Scheme.

The Board considers that it is not appropriate to state the value of all the Options that can be granted under the 2023 Share Option Scheme as if they had been granted at the Latest Practicable Date, given that various factors (such as the Subscription Price and other terms and conditions to which an Option may be subject) crucial for valuation cannot be predicted or ascertained and may vary from case to case. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on assumptions would be speculative and not meaningful, and indeed might be misleading to the Shareholders.

Ordinary resolutions will be proposed at the Annual General Meeting for the adoption of the 2023 Share Option Scheme.

The 2023 Share Option Scheme shall take effect upon (a) the passing of the necessary resolution by the Shareholders in general meeting for approving the adoption of the 2023 Share Option Scheme with the Scheme Mandate Limit, and (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Options in accordance with the terms of the 2023 Share Option Scheme.

Application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any Option that may be granted under the 2023 Share Option Scheme.

A copy of the scheme document of the 2023 Share Option Scheme will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.twr1115.net) for display for a period of not less than fourteen (14) days before the date of the Annual General Meeting and the scheme document of the 2023 Share Option Scheme will be made available for inspection at the Annual General Meeting.

LETTER FROM THE BOARD

5. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND PROPOSED ADOPTION OF NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes that certain amendments (the “**Proposed Amendments**”) be made to the existing memorandum of association and articles of association of the Company (the “**Existing M&A**”) by way of adoption of amended and restated memorandum of association and articles of association (the “**New M&A**”) in substitution for, and to the exclusion of, the Existing M&A to, among others things, (i) bring the Existing M&A in line with the relevant requirements of the applicable laws of the Cayman Islands and the Listing Rules, including but not limited to the Core Shareholder Protection Standards set out in Appendix 3 to the Listing Rules; (ii) allow the Company to convene and hold hybrid or electronic general meetings and provide flexibility to the Company in relation to the conduct of general meetings; and (iii) make consequential and other housekeeping amendments.

The major changes are summarised as follows:

1. to allow the further extension of the maximum period of 30 days in each year for the closure of the register of members;
2. to relax the requirements relating to the record date for determining the members entitled to receive any dividend, distribution, allotment or issue, subject to the Listing Rules;
3. to expressly allow notice of suspension of the registration of transfers of shares to be given by announcement or by electronic communication, and to allow the further extension of the maximum period of 30 days in any year for such suspension;
4. to clarify the advertisement requirements for the Company’s sale of shares of an untraceable member;
5. to require an annual general meeting to be held in each financial year and within 6 months after the end of the Company’s financial year;
6. to allow general meetings to be held as a physical meeting in any part of the world and at one or more locations (including a physical general meeting to be held by means of telephone, electronic or other communication facilities), as a hybrid meeting or as an electronic meeting;
7. to expressly allow minority members meeting certain requirements to specify in a requisition any resolution for which an extraordinary general meeting is required to be called by the Board, and to limit the form of the extraordinary general meeting which may be convened by the requisitionist(s) if the Board fails to proceed to convene an extraordinary general meeting to a physical meeting at only one location;
8. to change the notice period for an annual general meeting to not less than 21 clear days and the notice period for all other general meetings to not less than 14 clear days;

LETTER FROM THE BOARD

9. to allow two persons appointed by a clearing house as authorised representative or proxy to form a quorum of a general meeting;
10. to provide for the powers of the chairman of a general meeting to interrupt or adjourn the meeting and change the form of meeting from one to another;
11. to provide for the powers of the Board and the chairman of a general meeting to make arrangements for managing attendance and/or participation and/or voting in respect of any form of general meetings or for ensuring the security and orderly conduct of the meeting;
12. to provide for the Directors' powers to change or postpone the date, time, and/or place and/or change the electronic facilities and/or change the form of a general meeting;
13. to expressly provide for the members' right to speak and vote at general meetings, except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration;
14. to clarify that the rights which a person authorised to act as a clearing house's representative at any meeting of the Company or any class of members shall be entitled to exercise include the right to speak and to vote;
15. to change the time of retirement of any Director appointed by the Directors to fill a casual vacancy to the first annual general meeting (instead of the first general meeting) after his appointment;
16. to clarify that a Director which may be removed by the members by ordinary resolution includes a managing or other executive Director;
17. to clarify the notice and time requirements for nomination by members of candidates for election of directors at general meetings;
18. to revise the exceptions under which a Director may vote on a resolution of the Board notwithstanding any material interest so as to align with the Listing Rules;
19. to allow the Board to capitalise certain reserves or funds by paying up unissued shares to be allotted to employees or trustee in connection with any share incentive scheme or employee benefit scheme or other arrangement adopted or approved by the members at a general meeting;
20. to relax the requirements for the distribution of the annual accounts so as to align with the Listing Rules;
21. to clarify that ordinary resolutions are required for the appointment of an auditor and the fixing of an auditor's remuneration by members at a general meeting;
22. to require an ordinary resolution (instead of a special resolution) for the removal of an auditor by members at a general meeting;

LETTER FROM THE BOARD

23. to expressly allow the Directors to fill any casual vacancy in the office of auditor and to clarify that an auditor so appointed may hold office until the first annual general meeting after his appointment and shall then be subject to appointment by the members at such remuneration to be determined by the members;
24. to revise and clarify the requirements for notices and documents to be given or issued by the Company;
25. to make consequential amendments and update certain provisions with reference to the applicable laws of the Cayman Islands and the Listing Rules currently in force; and
26. to make other housekeeping amendments.

Details of the Proposed Amendments are set out in Appendix IV to this circular. The Chinese translation of the New M&A set out in the Chinese version of this circular is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

The adoption of the New M&A is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting and will take effect from the conclusion of the Annual General Meeting.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments conform with the applicable requirements under the Listing Rules. The legal advisers to the Company as to the laws of the Cayman Islands have confirmed that the Proposed Amendments do not violate the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments for a company incorporated in the Cayman Islands listed on the Stock Exchange.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages V-1 to V-6 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.twr1115.net>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours (Hong Kong Time) before the time

LETTER FROM THE BOARD

appointed for holding the Annual General Meeting (i.e. before 11:00 a.m. on Wednesday, 28 June 2023) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereon should you so wish.

To the extent that the Company is aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting in respect of the resolutions proposed at the Annual General Meeting.

7. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 27 June 2023 to Friday, 30 June 2023 (both days inclusive), during which period no transfer of shares will be registered, in order to determine the entitlement to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 26 June 2023.

8. RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of the Annual General Meeting, including but not limited to the re-election of the retiring Directors, the granting of the Share Repurchase Mandate and Issuance Mandate, the adoption of the 2023 Share Option Scheme and the amendments to the memorandum and articles of association of the Company and adoption of the New M&A, are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board
Tibet Water Resources Ltd.
CHOW Wai Kit
Executive Director and Company Secretary

APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Pursuant to the Articles of Association, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting, are provided below.

(1) Dr. ZHANG Chunlong

Position and Experience

Dr. ZHANG Chunlong (張春龍博士), aged 59, is an independent non-executive Director, the chairman of the Board, the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee and was appointed to the Board with effect from 8 July 2022.

He obtained a bachelor's degree in mechanical engineering from Dalian University in 1986, a master's degree in business administration from Hong Kong Baptist University in 2002 and a doctoral degree in enterprise management from Dalian University of Technology in 2017. Dr. Zhang successively worked in the Dalian representative office of Standard Chartered Bank, China Railway Construction Investment Company* (中國鐵路建設投資公司) and CITIC Shenzhen (Group) Company* (中信深圳(集團)公司) and has held various senior management positions, with more than 35 years of working experience in financial institution and state-owned enterprise. Dr. Zhang is also a member of the Hong Kong Institute of Bankers and a Certified Credit Risk Management Professional (Credit Portfolio Management) (CCRP(CPM)) registered with the Hong Kong Institute of Bankers.

As at the Latest Practicable Date, save as disclosed above, Dr. ZHANG did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

Relationships

As far as the Directors are aware, Dr. ZHANG does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

Length of service and Director's emoluments

Pursuant to a letter of appointment entered into between Dr. ZHANG and the Company, Dr. ZHANG has been appointed as an independent non-executive Director for a term of 3 years commencing from 8 July 2022 unless terminated by 3 months' prior written notice given by either party to the other. Pursuant to such letter of appointment, Dr. ZHANG is entitled to receive a director's fee in the amount of HK\$2,600,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy. Apart from his remuneration under the letter of appointment, Mr. ZHANG is also entitled to an additional fee of HK\$20,000 per annum as the chairman of the Remuneration Committee. He is subject to retirement by rotation and re-election in accordance with the Articles of Association.

As at the Latest Practicable Date, save as disclosed above, Ms. LIN did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

Relationships

As far as the Directors are aware, Ms. LIN does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

Length of service and Director's emoluments

Pursuant to a letter of appointment entered into between Ms. LIN and the Company, Ms. LIN has been appointed as an independent non-executive Director for a term of 3 years commencing from 8 July 2022 unless terminated by 3 months' prior written notice given by either party to the other. Pursuant to such letter of appointment, Ms. LIN is entitled to receive a director's fee in the amount of HK\$150,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy. She is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. LIN required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. LIN that need to be brought to the attention of the Shareholders.

(3) Ms. JIANG Xiaohong

Position and Experience

Ms. JIANG Xiaohong (姜曉虹女士), aged 65, is a non-executive Director and was appointed to the Board on 1 March 2011. Ms. Jiang is also the legal representative of our major subsidiary company, Tibet Glacier Mineral Water Co. Ltd., and is responsible for the operation, quality control, equipment and production site management. She has over 31 years of experience in operational management. She graduated from Xinjiang Vocational University (新疆職工大學) with a diploma in Economic Management, then from Jiangnan University (江南大學) (formerly known as Wuxi University of Light Industry (無錫輕工大學) with a diploma of Brewery Engineering, and from Xinjiang University (新疆大學) with a diploma of Analytical Chemistry.

As at the Latest Practicable Date, save as disclosed above, Ms. JIANG did not hold any directorships in other public listed companies in the last three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

Relationships

As far as the Directors are aware, Ms. JIANG does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

Length of service and Director's emoluments

Pursuant to a letter of appointment entered into between Ms. JIANG and the Company, Ms. JIANG has been appointed as a non-executive Director for a term of 3 years commencing from 1 March 2023 unless terminated by 3 months' prior written notice given by either party to the other. Pursuant to such letter of appointment, Ms. JIANG is entitled to receive a director's fee in the amount of HK\$996,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy. She is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. JIANG required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. JIANG that need to be brought to the attention of the Shareholders.

(4) Mr. CHOW Wai Kit

Position and Experience

Mr. CHOW Wai Kit (周偉傑先生), aged 55, is an executive Director and company secretary and authorised representative of the Company. He joined the Group in February 2011. Mr. CHOW also serves as a director and company secretary of certain subsidiaries of the Company.

Mr. CHOW has over thirty years of experience in corporate management, corporate finance, financial management and accounting. Mr. CHOW began his career in the auditing profession and worked at Deloitte Touche Tohmatsu in Hong Kong from 1990 to 2000. After that, Mr. CHOW was a key financial officer of various listed companies for over seven years. From 2000 to 2002, Mr. CHOW was registered with the Securities and Futures Commission as an investment representative. From 2001 to 2002, he was the qualified accountant and company secretary of International Capital Network Holdings Limited (stock code: 8004). From 2003 to 2004, he was the deputy general manager of Oriental Investment Corporation Limited (stock code: 735, subsequently renamed as China Power

New Energy Development Company Limited). From 2005 to 2007, he was the qualified accountant of Guangzhou Investment Company Limited (stock code: 123, subsequently renamed as Yuexiu Property Company Limited). Prior to joining the Group, Mr. CHOW was the project manager of Top Ease (H.K.) Limited, a wholly-owned subsidiary of Sociedade de Turismo e Diversões de Macau, S.A., from 2008 to 2011.

Mr. CHOW is a fellow of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. He is also a fellow of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators). Mr. CHOW obtained a master degree in finance from the Royal Melbourne Institute of Technology University in 1999 and a professional diploma in company secretaryship and administration from the Hong Kong Polytechnic in 1990.

As at the Latest Practicable Date, save as disclosed above, Mr. CHOW did not hold any directorships in other public listed companies in the past three years and did not hold other major appointments and professional qualifications and other positions with the Company or other members of the Group.

Relationships

As far as the Directors are aware, Mr. CHOW does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules).

Length of service and Director's emoluments

Pursuant to a service agreement entered into between Mr. CHOW and the Company, Mr. CHOW has been appointed as an executive Director for a term of 3 years commencing from 1 January 2022 and thereafter be continuous, unless and until terminated by 3 months' prior written notice given by either party to the other or by payment of 3 months' fixed salary in lieu of such notice at any time during or after the said 3 years. He shall be subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to such service agreement, Mr. CHOW is entitled to receive a director's fee in the amount of HK\$270,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy, as well as discretionary bonus to be determined by the Remuneration Committee and approved by a majority of Board members (excluding Mr. CHOW), with reference to the operating results of the Group and the performance of Mr. CHOW. Pursuant to a service agreement between Mr. CHOW and a subsidiary of the Company, Mr. CHOW as the company secretary of the Group is also entitled to receive a salary of HK\$1,380,000 per annum, which was determined by the Board on the recommendation of the Remuneration Committee, with reference to the prevailing market conditions and the terms of the Company's remuneration policy, as well as discretionary bonus to be determined by the Remuneration Committee with reference to the operating results of the Group and the performance of Mr. CHOW.

**APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Length of service and Director's emoluments

Pursuant to a letter of appointment entered into between Mr. WEI and the Company, Mr. WEI has been appointed as a non-executive Director for a term of 3 years commencing from 25 May 2022 unless terminated by 3 months' prior written notice given by either party to the other. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to such letter of appointment, Mr. WEI is not entitled to receive any remuneration.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. WEI required to be disclosed pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Mr. WEI that need to be brought to the attention of the Shareholders.

INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the above mentioned retiring Directors had any interest in the Shares within the meaning of Part XV of the SFO.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolutions to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company is HK\$40,791,880 comprising of 4,079,188,000 Shares. As at the Latest Practicable Date, there were outstanding convertible bonds in the aggregate principal amount of HK\$356,976,000 issued by the Company entitling the holders thereof to convert them into 482,400,000 Shares at the initial conversion price of HK\$0.74 per Share.

Subject to the passing of the proposed ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that none of the conversion rights under the outstanding convertible bonds is exercised and no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting such that the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the Annual General Meeting i.e. being 4,079,188,000 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, an aggregate number of 407,918,800 Shares, representing 10% of the aggregate number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

Any payment for repurchases by the Company may be made out of profits of the Company, the share premium account of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to any applicable

laws of the Cayman Islands, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of either or both of the profits or from the share premium account of the Company, or, if authorized by the Articles of Association and subject to any applicable laws of the Cayman Islands, out of capital.

4. IMPACT OF REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2022) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange for the year ended 31 December 2022 and up to the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
January	0.600	0.520
February	0.590	0.500
March	0.620	0.440
April	0.600	0.465
May	0.550	0.400
June	0.570	0.440
July	0.770	0.450
August	0.600	0.465
September	0.580	0.440
October	0.480	0.415
November	0.500	0.370
December	0.460	0.365
2023		
January	0.445	0.375
February	0.570	0.410
March	0.445	0.390
April	0.480	0.400
May (up to the Latest Practicable Date)	0.490	0.430

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that he/she/it has a present intention to sell any Shares to the Company, or that he/she/it has undertaken not to sell any Shares held by him/her/it to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODES

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Codes. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Codes), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Codes.

The Directors are not aware of any consequences of such repurchases of Shares that would result in any Shareholder, or a group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Codes if the Share Repurchase Mandate is exercised in full. To the best of the knowledge, information and belief of the Directors, (i) as at the Latest Practicable Date, the public float of the Company was approximately 77.94%; and (ii) assuming that there will be no change in the number of issued Shares and the number of Shares held by the public prior to the repurchase of Shares, and if the Share Repurchase Mandate is exercised in full, the percentage shareholding of the public would be approximately 75.49% of the number of issued shares of the Company, which is above the minimum prescribed percentage of 25% as required by the Listing Rules.

8. REPURCHASE OF SHARES MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

The following is a summary of the principal terms of the 2023 Share Option Scheme proposed to be approved and adopted at the AGM. It does not form part of, nor is it intended to be part of, the terms of the 2023 Share Option Scheme and it should not be taken as affecting the interpretation of the terms of the 2023 Share Option Scheme. Should there be any inconsistencies or conflicts between the English and the Chinese versions, the English version shall prevail.

1. PURPOSE OF THE SCHEME

The purpose of the 2023 Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to attract, retain, reward, remunerate, compensate and/or provide benefits to the Eligible Participants.

2. LIFE OF THE 2023 SHARE OPTION SCHEME

Subject to paragraphs 26 and 27, the 2023 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the 2023 Share Option Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of the 2023 Share Option Scheme.

3. PARTICIPANTS OF THE 2023 SHARE OPTION SCHEME AND ELIGIBILITY CRITERIA

The Eligible Participants of the 2023 Share Option Scheme to whom Options may be granted by the Board shall include (a) the Employee Participants; (b) the Related Entity Participants; and (c) the Service Providers.

In determining the basis of eligibility of each Eligible Participant, the Board would mainly take into account of the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant), the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Participant has established with the Group (if the Eligible Participant is a Related Entity Participant or Service Provider), and the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

For Employee Participants, assessing factors include without limitation: the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth of the Group.

For Related Entity Participants, assessing factors include without limitation: the degree of involvement in and/or cooperation with the Group, the length of collaborative relationship the Related Entity Participant has established with the Group, the extent of positive impact provided by or expected from business development activities in terms of the actual or expected change in the Group's revenue or profits attributable to the Related Entity Participant, whether the Related Entity Participant has assisted the Group to tap into new markets or increase its existing market share, whether the Related Entity Participant has provided measurable assistance to improve any aspect of the Group's operations, the amount of actual or potential support, assistance, guidance, advice, effort or contribution the Related Entity Participant gives or is likely to be able to give or make towards the success of the Group.

For each category of Service Providers, assessing factors include without limitation: the individual performance of the relevant Service Providers, the length of business relationship with the Group, the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Providers. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis and in its ordinary and usual course of business, the Board shall take into consideration the length and type of services provided and the recurrences and regularity of such services, the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.

4. OFFER AND GRANT OF OPTIONS

On and subject to the terms of the 2023 Share Option Scheme and only when in compliance with the Listing Rules applicable from time to time, the Board shall be entitled but shall not be bound at any time and from time to time within ten (10) years from the Adoption Date to make an Offer to any Eligible Participant as the Board may at its absolute discretion select to take up Options to subscribe for such number of Shares, being a board lot for dealing in Shares on the Main Board or an integral multiple thereof, as the Board may determine, at the Subscription Price. Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the 2023 Share Option Scheme.

5. VESTING PERIOD

Save in the circumstances prescribed in the paragraph below, an Option must be held by the Grantee for at least twelve (12) months before the Option can be exercised.

(Where the Grantee is an Employee Participant who is a director or senior manager of the Company) the Remuneration Committee or (where the Grantee is an Employee Participant who is not a director or senior manager of the Company) the Board shall have the authority to determine a shorter vesting period under any of the following circumstances:

- (a) grants of “make-whole” Options to new joiners to replace the awards or options they forfeited when leaving the previous employer;
- (b) grants to a Grantee whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons. They may include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
- (e) grants with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; and
- (f) grants of Options with a total vesting and holding period of more than 12 months.

6. PERFORMANCE TARGET AND CLAWBACK MECHANISM

Unless otherwise determined by the Board pursuant to paragraph 4 above and stated in the relevant offer letter, there is neither any performance target which must be achieved before an Option can be exercised nor any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company’s financial statements or other circumstances.

7. SUBSCRIPTION PRICE

The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to the terms of the 2023 Share Option Scheme, be a price notified by the Board to each Grantee and shall be at least the highest of:—

- (a) the closing price per Share as stated in the Stock Exchange’s daily quotations sheet on the Offer Date;

- (b) the average closing price per Share as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the Offer Date; and
- (c) the nominal value of a Share.

8. RESTRICTION ON THE TIME OF GRANT OF OPTION

Any Offer must not be made after inside information has come to the Company's knowledge until (and including) the trading day after such inside information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an Option during the period commencing one (1) month immediately before the earlier of:

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of announcement for such results. For the avoidance of doubt, no Options shall be granted as mentioned above during any period of delay in publishing a results announcement.

9. ACCEPTANCE OF OFFERS

An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth (10th) anniversary of the Adoption Date or after the 2023 Share Option Scheme has been terminated in accordance with the provisions of the 2023 Share Option Scheme. The amount payable by the Grantee to the Company on acceptance of the Offer is HK\$1.00. To the extent that the Offer is not accepted within such period in the aforesaid manner, it shall be deemed to have been irrevocably declined and shall lapse automatically.

10. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) The total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company must not, in aggregate, exceed 10% of the total number of Shares in issue as at the Adoption Date (the "**Scheme Mandate Limit**") unless Shareholders' approval has been obtained pursuant to paragraphs 10(c) and 10(d) or paragraph 10(e) below. Options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

- (b) (i) Subject to sub-paragraph (ii) of this paragraph 10(b) below, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company to the Service Providers must not, in aggregate, exceed 5 per cent of the total number of Shares in issue as at the Adoption Date (the “**Service Provider Sublimit**”) unless Shareholders’ approval has been obtained pursuant to paragraphs 10(c) and 10(d) or paragraph 10(e) below. Options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.
- (ii) Notwithstanding any other provisions of the 2023 Share Option Scheme, the Service Provider Sublimit is subject to approval by the Shareholders in general meeting. If on the Adoption Date the adoption of the 2023 Share Option Scheme is approved by the Shareholders in general meeting but the Service Provider Sublimit is not so approved by the Shareholders, no Option shall be granted to any Service Provider and the Service Provider Sublimit shall be deemed to be nil Share, and the provisions of the 2023 Share Option Scheme shall be construed accordingly, unless and until a sublimit on the total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company to the Service Providers is subsequently approved by the Shareholders in general meeting, in which case the Service Provider Sublimit shall be deemed to be the sublimit so approved by the Shareholders with effect from the date of such approval, and the provisions of the 2023 Share Option Scheme shall be construed accordingly.
- (c) The Company may seek approval by Shareholders in general meeting for “refreshing” the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from date of Shareholders’ approval for the last refreshment (or the Adoption Date). Any “refreshment” within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs (i) and (ii) of this paragraph 10(c) do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- (d) The total number of Shares which may be issued in respect of all Options to be granted under the 2023 Share Option Scheme and all options and awards to be granted under any other share schemes of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as “refreshed” must not exceed 10% and 5% of the total number of Shares in issue at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Scheme Mandate Limit**”) and the refreshed Service Provider Sublimit (the “**Refreshed Service Provider Sublimit**”) respectively. The Company must send a circular to the Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the “refreshment”. Options previously granted under the 2023 Share Option Scheme and any other share schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the 2023 Share Option Scheme or any other share schemes of the Company and exercised Options) will not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit and the Refreshed Service Provider Sublimit. Options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Refreshed Scheme Mandate Limit and the Refreshed Service Provider Sublimit.
- (e) The Company may seek separate Shareholders’ approval in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit, the Service Provider Sublimit or the Refreshed Service Provider Sublimit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant must be fixed before Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price.
- (f) If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the share schemes of the Company under the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

11. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of Options to an Eligible Participant would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2023 Share Option Scheme and all options and awards granted under any other share schemes of the Company to such Eligible Participant (excluding any options or awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue as at the date of such grant, such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. A circular must be sent by the Company to the Shareholders disclosing the identity of the Eligible Participant, the number and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

12. GRANTS OF OPTIONS TO CERTAIN CONNECTED PERSONS

- (a) Any grant of Options to a director, chief executive or substantial shareholder of the Company or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee).
- (b) Where Options are proposed to be granted to an independent non-executive Director or a substantial Shareholder, or any of their respective associates, and the proposed grant of Options would result in the total number of Shares issued and to be issued in respect of all Options granted under the 2023 Share Option Scheme and all options and awards granted under any other share schemes of the Company (excluding any options and awards lapsed in accordance with the terms of the 2023 Share Option Scheme or any other share schemes of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of Shares in issue on the Offer Date, such further grant of Options must be approved by the Shareholders taken on a poll in general meeting. In addition, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting (except that any such person may vote against the proposed grant provided that his/her intention to do so has been stated in the relevant circular to the Shareholders). The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules. A circular to the Shareholders must be prepared and sent by the Company containing (a) details of the number and terms of the Options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting; (b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee) as to

whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and its Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; (c) the information required under Rule 17.02(2)(c) of the Listing Rules; and (d) the information required under Rule 2.17 of the Listing Rules. Any change in the terms of Options granted to an Eligible Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in the manner set out in this paragraph if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the 2023 Share Option Scheme).

13. TIME OF EXERCISE OF OPTION

An Option may be exercised in accordance with the terms of the 2023 Share Option Scheme at any time during a period to be notified by the Board subject to the terms of grant (including but not limited to the vesting period set out in paragraph 5), the expiry date of such period not to exceed ten (10) years from the Offer Date (the “**Option Period**”).

14. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt to do so, unless a waiver is granted by the Stock Exchange.

15. RIGHTS ON CEASING EMPLOYMENT

In the event that the Grantee ceases to be an Eligible Participant for any reason other than his death or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in paragraph 21(d) or his resignation as provided in paragraph 21(e), the Grantee may exercise the Option in accordance with the provisions of the 2023 Share Option Scheme up to his entitlement at the date of cessation (to the extent which has become exercisable but not already exercised) within the period of three (3) months following the date of such cessation (or such longer period as the Board may determine or, if any of the events referred to in paragraphs 18, 19 and 20 occurs during such period, he may exercise the Option pursuant to paragraphs 18, 19 and 20 within such period). The date of cessation as aforesaid shall be the last working day with the Company or the relevant Subsidiary or Related Entity whether salary or compensation is paid in lieu of notice or not, or the last date of office or appointment as director, or the last date of appointment or engagement as consultant or advisor to the Company or the relevant Subsidiary or Related Entity, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity shall be conclusive.

16. RIGHTS ON DEATH

In the event that the Grantee (being an individual) ceases to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment, directorship, appointment or engagement under paragraph 21(d) arises, the personal representative(s) of the Grantee shall be entitled within a period of twelve (12) months after the date of death (or such longer period as the Board may determine or, if any of the events referred to in paragraphs 18, 19 and 20 occurs during such period, his personal representative(s) may exercise the Option pursuant to paragraphs 18, 19 and 20 within such period) to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent which has become exercisable but not already exercised).

17. RIGHTS ON WINDING UP OF A GRANTEE

If a Grantee (being a corporation) commences winding up by whatever means, whether voluntarily or not, or suffers a change in its constitution, management, directors, shareholding or beneficial ownership which in the opinion of the Board is material, the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the Grantee or on the date of notification by the Company that the said change in constitution, management, directors, shareholding or beneficial shareholding is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

18. RIGHTS ON A GENERAL OFFER

If a general (or partial) offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), the terms of which have been approved by any relevant regulatory authority and are in accordance with applicable laws and regulatory requirements and becomes, or is declared unconditional prior to the expiry of the Option, the Company shall within seven (7) days of such offer becoming or being declared unconditional give notice thereof to all Grantees, whereupon the Grantees (or their personal representatives) shall be entitled to exercise the Options in full or in part in accordance with the terms of the 2023 Share Option Scheme (to the extent which have become exercisable but not already exercised) at any time within fourteen (14) days after the date of such notice and, to the extent any of the Options have not been so exercised, such Options shall upon the expiry of such period lapse.

19. RIGHTS ON WINDING UP

In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as it despatches such notice of the proposed general meeting to each Shareholder give notice thereof to all Grantees (or their personal representatives), who may, by notice in writing to the Company (such notice to be received by the Company not later than five (5) business days prior to the proposed general meeting) accompanied by remittances/payments for the full amount of the aggregate Subscription Price for the Shares in respect

of which the notices are given, exercise the Options (to the extent which have become exercisable but not already exercised) either to their full extent or to the extent specified in such notices and the Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to such Grantees which fall to be issued on such exercise, credited as fully paid up and register such Grantees as holders thereof. Any Options shall, to the extent they have not been so exercised, lapse and determine.

20. RIGHTS ON A COMPROMISE OR SCHEME OF ARRANGEMENT

If, pursuant to the laws of the Cayman Islands or other applicable law, a compromise or arrangement between the Company and its members and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all Grantees (or to their personal representatives) on the same day as it gives notice to the members or creditors of the Company summoning a meeting to consider such a compromise or arrangement. Upon receipt of the notice, the Grantees may, during the period commencing on the date of the notice and ending on the earlier of (i) the date two (2) calendar months thereafter, and (ii) the date on which such compromise or arrangement is sanctioned by the court, exercise their Options (to the extent which have become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. The Company may require the Grantees to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantees in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of Grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the 2023 Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

21. LAPSE OF OPTION

The right to exercise an Option shall lapse automatically and become not exercisable (to the extent not already exercised) immediately upon the earliest of:—

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in paragraphs 15, 16, 17, 18, 19 and 20;
- (c) subject to paragraph 19, the date of the commencement of the winding-up of the Company;

- (d) the date on which the relevant Grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment or engagement of such Grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the Grantee with the Company or the relevant Subsidiary or Related Entity for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant Subsidiary or Related Entity;
- (e) the date on which the resignation of the Grantee is received by the Company or the relevant Subsidiary or Related Entity (as the case may be); or
- (f) the date on which the Grantee commits a breach of paragraph 14.

22. RANKING OF SHARES

The Share(s) to be issued and allotted upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment. The Options themselves, however, do not carry any voting, dividend, transfer or other rights, including those arising on a liquidation of the Company, prior to their being exercised and the underlying Shares being issued.

23. REORGANISATION OF CAPITAL STRUCTURE

In the event of any capitalisation issue, rights issue or consolidation, subdivision or reduction of the share capital of the Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction in which the Company and/or any of its Subsidiaries is a party), such corresponding adjustments (if any) shall be made to:—

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price;

or any combination thereof, as the auditors or an independent financial adviser to be appointed by the Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable, provided always that:—

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the Grantee shall have the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the Grantee was entitled before such adjustments,

and in each case, any adjustment must be made in compliance with the Listing Rules (including, without limitation, Chapter 17 thereof) and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, the auditors or an independent financial adviser to be appointed by the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules or the relevant guidance or interpretation thereof.

24. ALTERATION TO THE 2023 SHARE OPTION SCHEME AND THE TERMS OF OPTIONS GRANTED UNDER THE 2023 SHARE OPTION SCHEME

Subject to the Listing Rules, all provisions of the 2023 Share Option Scheme may be altered from time to time in any respect by a resolution of the Board provided that:—

- (a) any alterations of the terms and conditions of the 2023 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders in general meeting;
- (b) any change to the terms of Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme;
- (c) the amended terms of the 2023 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules;
- (d) any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme must be approved by the Shareholders in general meeting; and

- (e) no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the articles of association of the Company for the time being for a variation of the rights attached to the Shares.

25. CANCELLATION OF OPTIONS GRANTED

Any Options granted but not exercised may not be cancelled except with the prior written consent of the relevant Grantee and the approval of the Board. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the 2023 Share Option Scheme and the requirements of the Listing Rules and provided further that new Options may be issued to a Grantee in place of his cancelled Options only if there is available Scheme Mandate Limit or Refreshed Scheme Mandate Limit (or, where the Grantee is a Service Provider, the Service Provider Sublimit or the Refreshed Service Provider Sublimit) as referred to in paragraph 10 above. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) (and the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be)).

26. TERMINATION

The Company may by ordinary resolution in general meeting or the Board may at any time terminate the operation of the 2023 Share Option Scheme and in such event no further Options shall be offered but the provisions of the 2023 Share Option Scheme shall remain in all other respects in full force and effect in respect of any Options granted prior thereto but not yet exercised or in respect of which Shares are not yet issued to the Grantees at the time of termination. Upon such termination, details of the Options granted (including Options exercised or outstanding) and (if applicable) Options that become void or non-exercisable as a result of such termination shall be disclosed in the circular to the Shareholders seeking approval of the first new scheme to be established or refreshment of scheme mandate limit under any other existing share scheme of the Company after such termination.

27. CONDITIONS OF THE 2023 SHARE OPTION SCHEME

The 2023 Share Option Scheme shall take effect subject to the fulfilment of the conditions set out as follows:—

- (a) the passing of the necessary resolution by the Shareholders to approve and adopt the 2023 Share Option Scheme with the Scheme Mandate Limit, and to authorise the Board to grant the Options thereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under the 2023 Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares that may be issued by the Company pursuant to the exercise of the Options which may be granted under the 2023 Share Option Scheme.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

Details of the proposed amendments to the existing memorandum of association of the Company are set out below. Provisions without amendments are omitted and indicated by ellipses.

1. The name of the Company is **Tibet 5100—Water Resources Holdings Ltd.** 西藏5100水資源控股有限公司.

2. The Registered Office of the Company shall be at the offices of ~~Conyers~~ Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

...

4. Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies ~~Law Act~~ (As Revised).

...

8. The share capital of the Company is HK\$~~1,000,000~~380,000 divided into ~~100,380,000,000~~ shares of a nominal or par value of HK\$0.01 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies ~~Law Act~~ (As Revised) and the Articles of Association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

9. The Company may exercise the power contained in the Companies ~~Law Act~~ (As Revised) to deregister in the Cayman Islands and be registered by way of continuation in another jurisdiction.

APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

Details of the proposed amendments to the existing articles of association of the Company are set out below. Provisions without amendments are omitted and indicated by ellipses.

TABLE A

- 1. The regulations in Table A in the Schedule to the Companies Law Act (Revised as defined in Article 2) do not apply to the Company.

INTERPRETATION

- 2. (1) ...

WORD

MEANING

“Act”

the Companies Act, Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.

“announcement”

an official publication of a Notice or document of the Company, including a publication, subject to and to such extent permitted by the Listing Rules, by electronic communication or by advertisement published in the newspapers or in such manner or means ascribed and permitted by the Listing Rules and applicable laws.

...

“associate”

has the meaning attributed to it in the rules of the Designated Stock Exchange.

...

“business day”

shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a Number 8 or higher Typhoon Signal, Black Rainstorm Warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.

...

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

<u>“close associate”</u>	<u>in relation to any Director, shall have the same meaning as defined in the Listing Rules as modified from time to time, except that for purposes of Article 100 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.</u>
<u>“Company”</u>	<u>Tibet 5100 Water Resources Holdings Ltd. 西藏5100水資源控股有限公司.</u>
	...
<u>“electronic communication”</u>	<u>a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other similar means in any form through any medium.</u>
<u>“electronic meeting”</u>	<u>a general meeting held and conducted wholly and exclusively by virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u>
	...
<u>“Law”</u>	<u>The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.</u>
<u>“Hong Kong”</u>	<u>the Hong Kong Special Administrative Region of the People’s Republic of China.</u>
<u>“hybrid meeting”</u>	<u>a general meeting convened for the (i) physical attendance by Members and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities.</u>
<u>“Listing Rules”</u>	<u>the rules and regulations of the Designated Stock Exchange.</u>
<u>“Meeting Location”</u>	<u>has the meaning given to it in Article 64A.</u>
<u>“ordinary resolution”</u>	<u>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 Article 59.</u>
	...

APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

“physical meeting” a general meeting held and conducted by physical attendance and participation by Members and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations.

“Principal Meeting Place” shall have the meaning given to it in Article 59(2).

...

“Statutes” the ~~Law~~Act and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its memorandum of association and/or these Articles.

“Subsidiary and Holding Company” has the meanings attributed to them in the rules of the ~~Designated Stock Exchange.~~

“substantial shareholder” a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the Listing Rules from time to time) of the voting power at any general meeting of the Company.

...

(2) In these Articles, unless there be something within the subject or context inconsistent with such construction:

...

(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing or reproducing words or figures in a legible and non-transitory form or, to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations, any visible substitute for writing (including an electronic communication), or modes of representing or reproducing words partly in one visible form and partly in another 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~~Notice and the Member’s election comply with all applicable Statutes, rules and regulations;

...

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

- (h) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a ~~notice~~-Notice or document include a ~~notice~~-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;
- (i) Section 8 and Section 19 of the Electronic Transactions Law Act (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles; ;
- (j) references to the right of a Member to speak at an electronic meeting or a hybrid meeting shall include the right to raise questions or make statements to the chairman of the meeting, verbally or in written form, by means of electronic facilities. Such a right shall be deemed to have been duly exercised if the questions or statements may be heard or seen by all or only some of the persons present at the meeting (or only by the chairman of the meeting) in which event the chairman of the meeting shall relay the questions raised or the statements made verbatim to all persons present at the meeting, either orally or in writing using electronic facilities;
- (k) a reference to a meeting: (a) shall mean a meeting convened and held in any manner permitted by these Articles and any Member or Director attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Statutes and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly, and (b) shall, where the context is appropriate, include a meeting that has been postponed by the Board pursuant to Article 64E;
- (l) references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Statutes or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly;
- (m) references to electronic facilities include, without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise); and
- (n) where a Member is a corporation, any reference in these Articles to a Member shall, where the context requires, refer to a duly authorised representative of such Member.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

SHARE CAPITAL

- 3. (1) ...

- (2) Subject to the LawAct, the Company’s Memorandum and Articles of Association and, where applicable, the Listing rRules and/or the rules and regulations of any Designated Stock Exchange and/or any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the LawAct. The Company is hereby authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the LawAct.

- (3) Subject to compliance with the Listing rRules and the rules and regulations of the Designated Stock Exchange and any other relevant competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

- (4) The Board may accept the surrender for no consideration of any fully paid share.

- (5) No share shall be issued to bearer.

ALTERATION OF CAPITAL

- 4. The Company may from time to time by ordinary resolution in accordance with the LawAct alter the conditions of its Memorandum of Association to:
 - (a) ...

 - ...

 - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Company’s Memorandum of Association (subject, nevertheless, to the LawAct), and may by such resolution 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, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

6. The Company may from time to time by special resolution, subject to any confirmation or consent required by the LawAct, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.

...

SHARE RIGHTS

8. (1) Subject to the provisions of the LawAct and the Company's Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine.
9. (2) Subject to the provisions of the LawAct, the Listing Rules of any Designated Stock Exchange and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.
9. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~

VARIATION OF RIGHTS

10. Subject to the LawAct and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified 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 all the provisions of these Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:
- (a) the necessary quorum (~~other than including~~ at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly ~~authorized~~ authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class ~~and at any adjourned meeting of such holders, two holders present in person or (in the case of a Member being a corporation) its duly authorized representative or by proxy (whatever the number of shares held by them) shall be a quorum;~~ and

...

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

SHARES

12. (1) Subject to the ~~Law~~Act, these Articles, any direction that may be given by the Company in general meeting and, where applicable, the ~~Listing Rules of any Designated Stock Exchange~~ and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. 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 allotment, offer, option or shares to Members 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. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of ~~members~~Members for any purpose whatsoever.

...

13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the ~~Law~~Act. Subject to the ~~Law~~Act, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

...

15. Subject to the ~~Law~~Act and these Articles, the Board may at any time after the allotment of 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 upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal or a facsimile thereof or with the Seal printed thereon or be executed under the signature of appropriate officials with statutory authority, unless otherwise determined by the Directors and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. The seal of the Company may only be affixed or imprinted to a share certificate with the authority of the Directors. No certificate shall be issued representing shares of more than one

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

17. (1) ...

(2) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of ~~notices~~ Notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

...

19. Share certificates shall be issued within the relevant time limit as prescribed by the ~~Law~~ Act or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

...

LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company 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~~ 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 or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article.

23. Subject to these Articles, the Company may sell in such manner as the Board determines any share 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 (14) clear days after a ~~notice~~ 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~~ Notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

...

CALLS ON SHARES

25. Subject to these Articles and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such ~~notice~~Notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

...

FORFEITURE OF SHARES

...

35. When any share has been forfeited, ~~notice~~Notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.

...

REGISTER OF MEMBERS

...

44. The Register and branch register of Members maintained in Hong Kong, as the case may be, shall be open to inspection for at least two (2) hours ~~on every~~during business ~~day~~hours by Members without charge or by any other person, upon a maximum payment of \$2.50 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the ~~Law~~Act or, if appropriate, upon a maximum payment of \$1.00 or such lesser sum specified by the Board at the Registration Office. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in ~~an appointed newspaper or any other~~newspapers in accordance with the requirements of any Designated Stock Exchange or by any electronic means in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the Members by ordinary resolution.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

RECORD DATES

45. Subject to the Listing Rules, Notwithstanding any other provision of these Articles the Company or the Directors may fix any date as the record date for:
- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue ~~and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
 - (b) determining the Members entitled to receive ~~notice~~ Notice of and to vote at any general meeting of the Company.

TRANSFER OF SHARES

46. (1) Subject to these Articles, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
- (2) Notwithstanding the provisions of subparagraph (1) above, for so long as any shares are listed on the Designated Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares. The register of members of the Company in respect of its listed shares (whether the Register or a branch register) may be kept by recording the particulars required by Section 40 of the Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the Listing Rules that are or shall be applicable to such listed shares.

...

48. (1) ...

...

- (4) 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 determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the 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 Register, at the Office or such other place at which the Register is kept in accordance with the ~~Law~~Act.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

49. Without limiting the generality of the last preceding Article, the Board may decline to recognise any instrument of transfer unless:-

(a) ...

...

(c) the instrument of transfer is lodged at the Office or such other place at which the Register is kept in accordance with the ~~Law~~Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and

...

51. The registration of transfers of shares or of any class of shares may, after notice has been given by announcement or by electronic communication or by advertisement in any newspapers or by any other means in accordance with the requirements of any Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by the Members by ordinary resolution.

...

UNTRACEABLE MEMBERS

55. (1) ...

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

(a) ...

(b) ...

(c) the Company, if so required by the Listing Rrules governing the listing of shares on the Designated Stock Exchange, has given notice of its intention to sell such shares to, and caused advertisement both in daily newspaper and in a newspaper circulating in the area of the last known address of such Member or any person entitled to the share under Article 54 and where applicable, in each case newspapers in accordance with the requirements of; the Designated Stock Exchange ~~to be made of its intention to sell such shares in the manner required by the Designated Stock Exchange~~, and a period of three (3) months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

For the purpose of the foregoing, the “relevant period” means (where the Company is required by the Listing Rules to publish the advertisement referred to in paragraph (c) of this Article) the period commencing twelve (12) years before the date of publication of the such advertisement referred to in paragraph (c) of this Article and ending at the expiry of the period referred to in that paragraph or (in any other case) a period of twelve (12) years before the sale of the shares in question or such other period as may be prescribed by the Listing Rules from time to time.

...

GENERAL MEETINGS

56. An annual general meeting of the Company shall be held ~~in~~ for each financial year other than the financial year of the Company’s adoption of these Articles (within a period of not more than fifteen (15) months after the holding of the last preceding and such annual general meeting must be held or not more than eighteen within six (6) months after the end date of adoption of these the Company’s Articles financial year; (unless a longer period would not infringe the Listing Rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board.
57. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting in any part of the world and at one or more locations as provided in Article 64A, as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion. ~~General meetings may be held in any part of the world as may be determined by the Board.~~
58. The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Member(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may ~~do so in the same manner~~ convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

NOTICE OF GENERAL MEETINGS

59. (1) An annual general meeting shall ~~must~~ be called by Notice of not less than twenty-one (21) clear days ~~and not less than twenty (20) clear business days and any extraordinary general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business~~

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

days. All other ~~extraordinary~~ general meetings (including an extraordinary general meeting) ~~may~~ must be called by Notice of not less than fourteen (14) clear days ~~and not less than ten (10) clear business days~~ but if permitted by the Listing rRules ~~of the Designated Stock Exchange~~, a general meeting may be called by shorter notice, subject to the LawAct, if it is so agreed:

- (a) ...
 - (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together ~~holding~~ representing not less than ninety-five per cent. (95%) ~~in nominal value of the total voting rights at the meeting of all the Members issued shares giving that right.~~
- (2) ~~The notice~~ Notice shall specify (a) the time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to Article 64A, the principal place of the meeting (the “Principal Meeting Place”), (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the Notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) ~~the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business.~~ The notice Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such ~~notices~~ Notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

...

PROCEEDINGS AT GENERAL MEETINGS

61. (1) All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:
- (a) ...
- ...
- (d) appointment of Auditors (where special notice of the intention for such appointment is not required by the LawAct) and other officers; and
 - (e) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors;

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

- (f) ~~the granting of any mandate or authority to the Directors to offer, allot, grant options over or otherwise dispose of the unissued shares in the capital of the Company representing not more than twenty per cent. (20%) in nominal value of its existing issued share capital; and~~
- (g) ~~the granting of any mandate or authority to the Directors to repurchase securities of the Company.~~
- (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person or by proxy or, for quorum purposes only, two persons appointed by the clearing house as ~~(in the case of a Member being a corporation) by its duly~~ authorised representative or proxy shall form a quorum for all purposes.
62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and (where applicable) same place(s) or to such time and (where applicable) such place(s) and in such form and manner referred to in Article 57 as the chairman of the meeting (or in default, as the Board) may absolutely determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.
63. (1) The chairman of the Company or if there is more than one chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman at every a general meeting. If at any meeting the no chairman, is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the deputy chairman of the Company or if there is more than one deputy chairman, any one of them as may be agreed amongst themselves or failing such agreement, any one of them elected by all the Directors present shall preside as chairman. If no chairman or deputy chairman is present or is willing to act as chairman of the meeting, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or (in the case of a Member being a corporation) by its duly authorised representative or by proxy and entitled to vote shall elect one of their number to be chairman of the meeting.
- (2) If the chairman of a general meeting held in any form is participating in the general meeting using an electronic facility or facilities which is or are hereby permitted and becomes unable to participate in the general meeting using such electronic facility or facilities, another person (determined in accordance with Article 63(1) above) shall preside as chairman of the meeting unless and until the original chairman of the meeting is able to participate in the general meeting using the electronic facility or facilities.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

64. Subject to Article 64C, tThe chairman may (without the consent of the meeting) or shall at the direction of the meeting, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting); adjourn the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Nnotice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting details set out in Article 59(2) but it shall not be necessary to specify in such Nnotice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice-Notice of an adjournment.

64A. (1) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations ("Meeting Location(s)") determined by the Board at its absolute discretion. Any Member or any proxy attending and participating in such way or any Member or proxy attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.

(2) All general meetings are subject to the following and, where appropriate, all references to a "Member" or "Members" in this sub-paragraph (2) shall include a proxy or proxies respectively:

(a) where a Member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;

(b) Members present in person or by proxy at a Meeting Location and/or Members attending and participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that Members at all Meeting Locations and Members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;

(c) where Members attend a meeting by being present at one of the Meeting Locations and/or where Members participate in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more Members or proxies to

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and

- (d) if any of the Meeting Locations is not in the same jurisdiction as the Principal Meeting Place and/or in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of Notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the Notice for the meeting.

64B. The Board and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it/he/she shall in its/his/her absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a Member who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any Member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the Notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

64C. If it appears to the chairman of the general meeting that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 64A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the Notice of the meeting; or
- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the chairman of the meeting may have under these Articles or at common law, the chairman may, at his/her absolute discretion, without the

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.

64D. The Board and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction the Board or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place and determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Article shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.

64E. If, after the sending of Notice of a general meeting but before the meeting is held, or after the adjournment or postponement of a meeting but before the adjourned meeting or postponed meeting is held (whether or not Notice of the adjourned meeting or postponed meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the Notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the Members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every Notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning, “extreme conditions caused by a super typhoon” as announced by the Hong Kong Government, or other similar event is in force at any time on the day of the meeting. This Article shall be subject to the following:

- (a) when a meeting is so postponed, the Company shall endeavour to post a Notice of such postponement on the Company’s website as soon as practicable (provided that failure to post such a Notice shall not affect the automatic postponement of a meeting);
- (b) when only the form of the meeting or electronic facilities specified in the Notice are changed, the Board shall notify the Members of details of such change in such manner as the Board may determine;
- (c) when a meeting is postponed or changed in accordance with this Article, subject to and without prejudice to Article 64, unless already specified in the original Notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

applicable) for the postponed or changed meeting and shall notify the Members of such details in such manner as the Board may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Articles not less than 48 hours before the time of the postponed meeting; and

- (d) Notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original Notice of general meeting circulated to the Members.

64F. All persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Article 64C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

64G. Without prejudice to other provisions in Article 64, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

...

VOTING

66. (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy ~~or, in the case of a Member being a corporation, by its duly authorised representative~~ shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present in person or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

(2) Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

(a) by at least three Members present in person or by proxy for the time being entitled to vote at the meeting; or

(b) by a Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or

(c) by a Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member shall be deemed to be the same as a demand by the Member.

67. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution. The result of the poll shall be deemed to be the resolution of the meeting. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the Listing rRules of the Designated Stock Exchange.

...

70. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the ~~Law~~Act. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

...

72. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, *curator bonis* or other person in the nature of a receiver, committee or *curator bonis* appointed by such court, and such receiver, committee, *curator bonis* or other person may vote ~~on a poll~~ by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or postponed meeting, as the case may be.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

(2) Any person entitled under Article 53 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 forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting or postponed meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

73. (1) ...

(2) All members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

(3) Where the Company has knowledge that any Member is, under the Listing ~~Rules of the Designated Stock Exchange~~, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

74. If:

(a) ...

(b) ...

(c) ...

the objection or error shall not vitiate the decision of the meeting or adjourned meeting or postponed meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting or postponed meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

...

76. The instrument appointing a proxy shall be in such form as the Board may determine and in the absence of such determination, shall be in writing under the hand of signed by the appointor or ~~of his attorney~~ duly authorised in writing or, if the appointor is a corporation, either under its seal or ~~under the hand of~~ signed by an officer, attorney or other person authorised to sign the

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

77. (1) The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Articles) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by electronic means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such electronic communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by electronic means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by the Company at its designated electronic address provided in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.
- (2) The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the ~~n~~Notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate), or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting or postponed meeting at which the person named in the instrument proposes to vote. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or postponed meeting in cases where the meeting was originally held within twelve (12) 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 convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
78. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the Nnotice of any meeting forms of instrument of proxy for use

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment or postponement of the meeting as for the meeting to which it relates. The Board may decide, either generally or in any particular case, to treat a proxy appointment as valid notwithstanding that the appointment or any of the information required under these Articles has not been received in accordance with the requirements of these Articles. Subject to aforesaid, if the proxy appointment and any of the information required under these Articles is not received in the manner set out in these Articles, the appointee shall not be entitled to vote in respect of the shares in question.

79. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the ~~notice~~Notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting or postponed meeting, at which the instrument of proxy is used.

...

CORPORATIONS ACTING BY REPRESENTATIVES

81. (1) ...

(2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members 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 representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including the right to speak and vote and, where a show of hands is allowed, the right to vote individually on a show of hands.

...

WRITTEN RESOLUTIONS OF MEMBERS

82. A resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive ~~notice~~Notice of and to attend and vote at general meetings of the Company shall, for the purposes of these Articles, be treated as a resolution duly passed at a general meeting of the

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

Company and, where relevant, as a special resolution so passed. Any such resolution shall be deemed to have been passed at a meeting held on the date on which it was signed by the last Member to sign, and where the resolution states a date as being the date of his signature thereof by any Member the statement shall be prima facie evidence that it was signed by him on that date. Such a resolution may consist of several documents in the like form, each signed by one or more relevant Members.

BOARD OF DIRECTORS

83. (1) ...

- (2) Subject to the Articles and the ~~Law~~Act, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board.
- (3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following first annual general meeting of the Company after his appointment and shall then be eligible for re-election.
- (4) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive ~~n~~Notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.
- (5) The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director (including a managing or other executive Director) at any time before the expiration of his ~~period~~term of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).
- (6) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (5) above may be filled by the election or appointment by ordinary resolution of the Members at the meeting at which such Director is removed.

...

RETIREMENT OF DIRECTORS

...

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

85. ~~No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.~~No person (other than a retiring Director) shall be appointed or re-appointed as a Director at any general meeting unless (a) he is recommended by the Directors for election or (b) he is nominated by a Notice in writing by a Member (other than the person to be proposed) entitled to attend and vote at the meeting, and such Notice of nomination shall be given to the Secretary within the seven-day period commencing on and including the day after the despatch of the Notice of the meeting (or such other period as may be determined by the Directors from time to time). The Notice of nomination shall be accompanied by a Notice signed by the proposed candidate indicating his willingness to be appointed or re-appointed.

...

ALTERNATE DIRECTORS

...

90. An alternate Director shall only be a Director for the purposes of the ~~LawAct~~ and shall only be subject to the provisions of the ~~LawAct~~ insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director 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 by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

...

DIRECTORS' INTERESTS

...

98. Subject to the ~~LawAct~~ and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of 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 in accordance with Article 99 herein.

...

100. (1) 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 close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) the giving of any security or indemnity either:-
 - (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

- ~~(iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associate(s) or obligations incurred or undertaken by him or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;~~
 - ~~(ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
 - ~~(iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~
 - ~~(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
 - ~~(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in five per cent. (5%) or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associate is derived); or~~
 - ~~(vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors or his associate(s) and to employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.~~
- (2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five per cent. (5%) or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five per cent. (5%) or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

~~paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder.~~

- ~~(3) Where a company in which a Director and/or his associate(s) holds five per cent. (5%) or more is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.~~
- (4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

GENERAL POWERS OF THE DIRECTORS

...

101. (1) ...

(2) ...

(3) Without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Board shall have the following powers:

(a) ...

(b) ...

(c) to resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the LawAct.

(4) The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated

APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

~~in Hong Kong. Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force at the date of adoption of these Articles, and except as permitted under the Law, the Company shall not directly or indirectly:~~

- ~~(i) make a loan to a Director or a director of any holding company of the Company or to any of their respective associates (as defined by the rules, where applicable, of the Designated Stock Exchange);~~
- ~~(ii) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or~~
- ~~(iii) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.~~

...

BORROWING POWERS

107. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the LawAct, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

...

110. (1) ...

- (2) The Board shall cause a proper register to be kept, in accordance with the provisions of the LawAct, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the LawAct in regard to the registration of charges and debentures therein specified and otherwise.

PROCEEDINGS OF THE DIRECTORS

111. The Board may meet for the despatch of business, adjourn or postpone and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

112. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board whenever he shall be required so

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

to do by any Director. Notice of a meeting of the Board shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or ~~via~~by electronic means to an electronic address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website~~mail~~ or by telephone or in such other manner as the Board may from time to time determine ~~whenever he shall be required so to do by any Director~~.

113. (1) ...

(2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

...

115. The Board may elect one or more~~a~~ chairman and one or more deputy chairman of its meetings and determine the period for which they are respectively to hold such office. If no chairman or deputy chairman is elected, or if at any meeting ~~neither the~~ no chairman ~~nor any~~ deputy chairman is present within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

...

119. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. A notification of consent to such resolution given by a Director in writing to the Board by any means (including by means of electronic communication) shall be deemed to be his/her signature to such resolution in writing for the purpose of this Article. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid.

...

OFFICERS

124. (1) The officers of the Company shall consist of at least one chairman, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the ~~Law~~Act and these Articles.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

- (2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a chairman and if more than one (1) Director is proposed for this office, the Directors may elect more than one chairman ~~election to such office shall take place~~ in such manner as the Directors may determine.

...

125. (1) ...

- (2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the LawAct or these Articles or as may be prescribed by the Board.

...

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

REGISTER OF DIRECTORS AND OFFICERS

128. The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the LawAct or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of any change that takes place in relation to such Directors and Officers as required by the LawAct.

...

DESTRUCTION OF DOCUMENTS

132. (1) The Company shall be entitled to destroy the following documents at the following times:

(a) ...

- (b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate, variation, cancellation or notification was recorded by the Company;

...

DIVIDENDS AND OTHER PAYMENTS

133. Subject to the LawAct, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

134. Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the LawAct.

...

142. (1) ...

- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or 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 (a) or (b) of paragraph (21) of this Article 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 (1) of this Article shall rank for participation in such distribution, bonus or rights.

...

RESERVES

143. (1) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. Unless otherwise provided by the provisions of these Articles, the Board may apply the share premium account in any manner permitted by the LawAct. The Company shall at all times comply with the provisions of the LawAct in relation to the share premium account.

...

CAPITALISATION

144. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and capital redemption reserve and the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and any capital redemption reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.

- (2) Notwithstanding any provisions in these Articles, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.

...

SUBSCRIPTION RIGHTS RESERVE

146. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the LawAct:

...

ACCOUNTING RECORDS

147. 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 receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the LawAct or necessary to give a true and fair view of the Company’s affairs and to explain its transactions.

...

149. Subject to Article 150, a printed copy of the Directors’ report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure,

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the ~~general meeting and at the same time as the notice of annual general meeting and laid before the Company~~ at the annual general meeting held in accordance with Article 56 provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

150. Subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the Listing rRules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 149 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, summarised financial statements derived from the Company's annual accounts and the directors' report 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 annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statement and the directors' report thereon.
151. The requirement to send to a person referred to in Article 149 the documents referred to in that article or a summary financial report in accordance with Article 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the Listing rRules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Article 149 and, if applicable, a summary financial report complying with Article 150, 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 documents.

AUDIT

152. (1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall by ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) The Members may, at any general meeting convened and held in accordance with these Articles, by ~~special~~ ordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.
153. Subject to the ~~Law~~ Act the accounts of the Company shall be audited at least once in every year.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

154. The remuneration of the Auditor shall be fixed by an ordinary resolution passed at the Company in a general meeting or in such manner as the Members may determine by ordinary resolution determine.
155. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Article may be fixed by the Board. Subject to Article 152(2), an Auditor appointed under this Article shall hold office until the first following annual general meeting of the Company after his appointment and shall then be subject to appointment by the Members under Article 152(1) at such remuneration to be determined by the Members under Article 154.~~If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and fix the remuneration of the Auditor so appointed.~~

...

NOTICES

158. (1) Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules of the Designated Stock Exchange), whether or not, to be given or issued under these Articles ~~from by~~ the Company ~~to a Member~~ shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and any such Notice and document may be ~~served given or delivered issued~~ by the following means: Company on or to any Member either
- (a) by serving it personally on the relevant person;
 - (b) by sending it through the post in a prepaid envelope 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;
 - (c) by delivering or leaving it at such address as aforesaid;
 - (d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the requirements of the Designated Stock Exchange;
 - (e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 158(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person;
 - (f) by publishing it on the Company’s website or the website of the Designated Stock Exchange to which the relevant person may have access, subject to the Company

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or for giving notification to any such person stating that the notice, document or publication is available on the Company's website or the website of the Designated Stock Exchange (as the case may be) (a "notice of availability"); or

- (g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.
- (2) personally or by sending it through the post in a prepaid envelope 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 appropriate newspapers in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website or the website of the Designated Stock Exchange, 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 other than by posting it on a website.
- (3) 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.
- (4) Every person who, by operation of law, transfer, transmission, 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 (including electronic address) being entered in the Register as the registered holder of such share, shall have been duly given to the person from whom he derives title to such share.
- (5) Every Member or a person who is entitled to receive notice from the Company under the provisions of the Statutes or these Articles may register with the Company an electronic address to which notices can be served upon him.
- (6) Subject to any applicable laws, rules and regulations and the terms of these Articles, any notice, document or publication, including but not limited to the documents referred to in Articles 149, 150 and 158 may be given in the English language only or in both the English language and the Chinese language or, with the consent of or election by any member, in the Chinese language only to such member.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

159. Any Notice or other document:

- (a) ...
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. ~~A Notice placed on the Company's website or the website of the Designated Stock Exchange, 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;~~
- (c) if published on the Company's website or the website of the Designated Stock Exchange, shall be deemed to have been served on the day on which the notice, document or publication first so appears on the Company's website or the website of the Designated Stock Exchange to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;
- (ed) ...
- (~~de~~) if published as an advertisement in a newspaper or other publication permitted under these Articles, shall be deemed to have been served on the day on which the advertisement first so appears~~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.~~

160. (1) ...

- (2) 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~~ Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- (~~3~~) ~~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.~~

SIGNATURES

161. For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any Notice or document to be given by the Company may be written, printed or in electronic form.

WINDING UP

162. (1) Subject to Article 162(2), ~~the~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- (2) Unless otherwise provided by the Act, ~~A~~ resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.
163. (1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) (if the Company shall be wound up and the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such ~~members~~ Members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.
- (2) If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the ~~Law~~ Act, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.
- ~~(3) In the event of winding-up of the Company in Hong Kong, every Member who is not for the time being in Hong Kong shall be bound, within fourteen (14) days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to~~

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

~~appoint some such person, and service upon any such appointee, whether appointed by the Member or the liquidator, shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.~~

INDEMNITY

164. (1) ~~The Directors, Secretary and other officers and every Auditor for the time being of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) for the time being acting or who have acted in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits 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 heirs, executors or administrators, shall or may incur or sustain by or 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; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on 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; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.~~

...

FINANCIAL YEAR

165. Unless otherwise determined by the Directors, the financial year of the Company shall end on the 31st day of December in each year.

**AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION
AND NAME OF COMPANY**

~~165~~

166. No Article shall be rescinded, altered or amended and no new Article shall be made until the same has been approved by a special resolution of the Members. A special resolution shall be required to alter the provisions of the memorandum of association or to change the name of the Company.

**APPENDIX IV PARTICULARS OF THE PROPOSED AMENDMENTS TO
THE MEMORANDUM AND ARTICLES OF ASSOCIATION**

INFORMATION

†66

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

**Tibet Water Resources Ltd.****西藏水資源有限公司***(incorporated in the Cayman Islands with limited liability)***(Stock Code: 1115)****NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that an annual general meeting of Tibet Water Resources Ltd. (the “**Company**”) will be held at Level 22, Nexxus Building, 41 Connaught Road Central, Hong Kong at 11:00 a.m. on Friday, 30 June 2023 to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements and the directors’ report of the Company and the independent auditor’s report of the Company for the year ended 31 December 2022;
2.
 - (a) to re-elect Dr. ZHANG Chunlong as independent non-executive director;
 - (b) to re-elect Ms. LIN Ting as independent non-executive director;
 - (c) to re-elect Ms. JIANG Xiaohong as non-executive director;
 - (d) to re-elect Mr. CHOW Wai Kit as executive director;
 - (e) to re-elect Mr. WEI Zheming as non-executive director; and
 - (f) to authorise the board (the “**Board**”) of directors of the Company (the “**Directors**”) to fix the remuneration of the Directors;
3. to re-appoint HLB Hodgson Impey Cheng Limited as the auditor of the Company and to authorise the Board to fix its remuneration;

and, to consider and, if thought fit, pass the following resolutions (with or without modifications):

ORDINARY RESOLUTIONS

4. “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase shares of the Company (the

“Shares”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by The Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for this purpose, subject to and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, any applicable laws of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares which may be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the authority granted pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate number of Shares in issue and fully paid-up as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company (the “**Articles**”) or any applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

5. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the unissued Shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such powers after the expiry of the Relevant Period;

(c) the aggregate number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below); or
- (ii) the grant or exercise of options granted under any share option scheme or similar arrangement adopted from time to time by the Company for the grant or issue of options to subscribe for or rights to acquire Shares; or
- (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles in force from time to time; or
- (iv) the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed 20 per cent. of the aggregate number of Shares in issue on the date of the passing of this resolution, and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purposes of this resolution:

- (i) **“Relevant Period”** means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law of the Cayman Islands to be held; and
 - (cc) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

- (ii) “**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to shareholders of the Company whose names appear on the Company’s register of members (and where appropriate to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of Shares (or, where appropriate such other securities) (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in, or in any territory outside Hong Kong, or the expense or delay that may be incurred in the determination of any such restrictions or obligations).”
6. “**THAT** conditional on the passing of resolutions numbered 4 and 5 above, the general mandate granted to the Directors pursuant to resolution numbered 5 above be and is hereby extended by the addition to the aggregate number of the Shares which may be allotted, issued or dealt with by the Directors pursuant to or in accordance with such mandate of an amount representing the aggregate number of the Shares repurchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 4 above provided that such amount shall not exceed 10 per cent of the aggregate number of Shares as at the date of passing of the resolution numbered 4.”
7. “**THAT** conditional on the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the shares of HK\$0.01 each in the capital of the Company (the “**Shares**”) which may fall to be issued pursuant to the exercise of any options granted under the 2023 share option scheme (a copy of which is produced to the meeting and marked “A” and initialed by the chairman of the meeting for the purpose of identification) (the “**2023 Share Option Scheme**”), the 2023 Share Option Scheme with the Scheme Mandate Limit (as defined in the 2023 Share Option Scheme) of 10 per cent of the total number of Shares in issue as at the date of the passing of this resolution be and is hereby approved and adopted by the Company and the directors of the Company be and are hereby authorised to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any options granted thereunder and to do all such acts and enter into all such transactions, arrangements and agreements as may be necessary or expedient as they think fit from time to time in order to give effect to the 2023 Share Option Scheme.
8. “**THAT** conditional upon the passing of resolution numbered 7, the Service Provider Sublimit (as defined in the 2023 Share Option Scheme) of 5 per cent of the total number of Shares in issue as at the date of the passing of this resolution be and is hereby approved and adopted.”

SPECIAL RESOLUTION

9. “**THAT** the proposed amendments (“**Proposed Amendments**”) to the existing memorandum of association and articles of association of the Company set out in Appendix IV to the circular of the Company dated 30 May 2023 of which this notice forms part be and are hereby approved and the amended and restated memorandum of association and articles of association of the Company which consolidate all the Proposed Amendments (in the form produced to the meeting and marked “B” and initialled by the chairman of the meeting for the purpose of identification) be and are hereby adopted in substitution for and to the exclusion of the existing memorandum of association and articles of association of the Company with immediate effect after the close of the meeting and that any one director, secretary of the Company or registered office provider of the Company be and is hereby authorised to do all acts, deeds, things and execute all such documents and make all such arrangements that he/she/it shall, in his/her/its absolute discretion, deem necessary or expedient to give effect to the adoption of the amended and restated memorandum of association and articles of association of the Company, including without limitation, attending to the necessary registrations and filings in accordance with the relevant requirements of the applicable law, rules and regulations in the Cayman Islands and Hong Kong.”

By order of the Board
Tibet Water Resources Ltd.
CHOW Wai Kit
Executive Director and Company Secretary

Hong Kong, 30 May 2023

Principal place of business in Hong Kong:

Unit D, 23rd Floor
United Centre, 95 Queensway
Admiralty
Hong Kong

Notes:

1. A shareholder being a holder of more than one share and entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the Articles of Association of the Company, vote in his/her stead. A proxy need not be a shareholder of the Company.
2. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company’s Hong Kong branch share registrar, Union Registrars Limited (“**Branch Registrar**”) at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours (Hong Kong time) before the time appointed for holding the meeting (i.e. before 11:00 a.m. on Wednesday, 28 June 2023) or adjourned meeting.

3. The register of members of the Company will be closed from Tuesday, 27 June 2023 to Friday, 30 June 2023 (both days inclusive), during which period no transfer of shares will be registered, in order to determine the entitlement to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the Branch Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 26 June 2023.
4. In relation to the proposed resolution numbered 4 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase the securities of the Company in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the circular despatched to the shareholders of the Company on the date hereof.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the HKSAR Government is/are in force in Hong Kong any time from 7:00 a.m. to the meeting time on the date of the annual general meeting, the meeting will be adjourned according to the articles of association of the Company. The Company will publish an announcement on the website of the Company at <http://www.twr1115.net> and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify shareholders of the date, time and venue of the rescheduled meeting.
6. If shareholders have any particular access request or special needs for participating in the meeting, he/she will have to leave his/her contact information, including name, telephone number and email address to the investor relation consultant of the Company, Kredito PR Consultancy Limited, at telephone number (852) 2248 1188 during business hours from 9:30 a.m. to 5:30 p.m. from Monday to Friday, excluding Hong Kong public holidays.

As of the date hereof, the executive Directors are Mr. YAN Qingjiang, Mr. CHOW Wai Kit and Mr. CHENG Gwan Sing, the non-executive Directors are Ms. JIANG Xiaohong, Mr. XIE Kun and Mr. WEI Zheming and the independent non-executive Directors are Dr. ZHANG Chunlong (Chairman), Mr. LO Wai Hung and Ms. LIN Ting.