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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Aidigong Maternal & Child Health Limited (the “Company”), you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

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### 愛帝宮母嬰健康股份有限公司 AIDIGONG MATERNAL & CHILD HEALTH LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 286)**

## I. PROPOSED ISSUE OF CONVERTIBLE PREFERENCE SHARES UNDER SPECIFIC MANDATE II. AMENDMENTS OF THE BYE-LAWS III. INCREASE IN AUTHORISED SHARE CAPITAL AND IV. NOTICE OF SPECIAL GENERAL MEETING

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Capitalised terms used on this cover page shall have the same meanings as those defined in this circular, unless the context requires otherwise. A letter from the Board is set out on pages 6 to 30 of this circular.

A notice convening the SGM to be held at Unit E, 28/F., YHC Tower, 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 30 December 2022 at 4:00 p.m. is set out on pages 109 to 112 of this circular. Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof (as the case may be) should you so wish and in such event, the instrument appointing a proxy shall be deemed revoked.

#### PRECAUTIONARY MEASURES FOR THE SGM

Please see page i of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the SGM, including:

- compulsory body temperature checks;
- wearing of a surgical face mask by each attendee;
- maintaining the required social distance between attendees; and
- no distribution of corporate gift or refreshment.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company strongly recommends Shareholders that they may appoint the chairman of the SGM as their proxy to vote on the relevant resolution(s) at the SGM as an alternative to attending the SGM in person.

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## PRECAUTIONARY MEASURES FOR THE SGM

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To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the SGM:

1. Compulsory temperature screening/checks will be carried out on every attendee at the main entrance of the SGM venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, or is exhibiting flu-like symptoms may be denied entry into the SGM venue and be requested to leave the SGM venue.
2. Every attendee will be required to wear a surgical face mask throughout the SGM and sit at a distance from other attendees. Please note that no masks will be provided at the SGM venue and attendees should wear their own masks.
3. No refreshments or drinks will be provided to attendees at the SGM.

Attendees who do not comply with the precautionary measures referred to in (1) and (2) above may be denied entry to the SGM venue, at the absolute discretion of the Company as permitted by law.

**For the health and safety of Shareholders, the Company encourages Shareholders to exercise their right to vote at the SGM by appointing the Chairman of the SGM as their proxy and to return their proxy forms before the prescribed time, instead of attending the SGM in person.**

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the SGM arrangements at short notice. Shareholders should check the websites of the Company (<http://www.aidigong.hk>) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) for further announcements and updates on the SGM arrangements.

If Shareholders have any questions relating to the SGM, please contact Tricor Secretaries Limited, the Company's Hong Kong branch share registrar and transfer office as follows:

Address: 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong  
Telephone: 2980 1333  
Fax: 2810 8185

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## DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong and the PRC are generally open for business throughout their normal business hours
“Bye-laws”	the bye-laws of the Company (as amended from time to time)
“Class A Convertible Preference Share(s)”	the 187,265,918 new class A non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the capital of the Company to be subscribed by the Subscriber or its affiliate under the Subscription Agreement
“Class B Convertible Preference Share(s)”	the 187,265,918 new class B non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the capital of the Company to be subscribed by the Subscriber or its affiliate under the Subscription Agreement
“Company”	Aidigong Maternal & Child Health Limited, a company incorporated in Bermuda with limited liability, the Ordinary Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 286)
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Consideration”	HK\$224,719,101.6, being the total amount to be received by the Company upon the allotment and issue of the Convertible Preference Shares to the Subscriber or its affiliate
“Constitutional Documents”	the memorandum of association and Bye-laws of the Company (as amended from time to time)
“Conversion Right”	the right held by Convertible Preference Shareholders to convert any Convertible Preference Share into Ordinary Share in accordance with the terms of the Subscription Agreement

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## DEFINITIONS

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“Conversion Share(s)”	the Ordinary Share(s) to be allotted and issued upon exercise of the Conversion Right by a Convertible Preference Shareholder
“Convertible Preference Shareholder(s)”	a person or persons who is or are registered in the register required to be maintained by the Company as a holder or joint-holders of the Convertible Preference Shares
“Convertible Preference Share(s)”	Class A Convertible Preference Shares and Class B Convertible Preference Shares
“Director(s)”	the directors of the Company from time to time
“Disposal”	the disposal of 51% equity interest held by the Group in Guangdong Huatai Health Industry Co., Ltd.* (廣東驊泰健康產業有限公司), a company established in the PRC with limited liability and principally engaged in properties development in accordance with the Luofushan Disposal Agreement
“EBITDA”	has the meaning ascribed to it under the new Bye-laws as set out in the Appendix to this circular
“Founder of postpartum care centre”	Ms. Zhu Yufei (朱昱霏), who is an executive Director, the chairman of the Board and the chief executive officer of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	2 December 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“Long Stop Date”	a date six months from the date of the Subscription Agreement (which date may be extended by the Subscriber at its sole discretion by not more than three months by giving written notice to the Company), or such later date as the Company and the Subscriber may agree in writing
“Luofushan Disposal Agreement”	the agreement dated 28 August 2022 entered into between Dongguan Dongdi Health Industry Co., Ltd.* (東莞市東帝健康產業有限公司), an indirect wholly-owned subsidiary of the Company, and Huizhou Love Home Real Estate Co., Ltd.* (惠州市愛的家置業有限公司) in relation to the Disposal
“Ordinary Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Ordinary Shareholder(s)”	a person or persons who is or are registered in the register required to be maintained by the Company as a holder or jointholders of the Ordinary Shares
“PRC”	the People’s Republic of China which, for the purpose of this circular, exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Relevant Event”	<p>(a) any liquidation, winding-up or dissolution of the Company, whether voluntary or involuntary;</p> <p>(b) any transaction or series of related transactions in which a person, or a group persons, acquires any equity securities of the Company such that, immediately after such transaction or series of related transactions, such person or group of related persons holds equity securities of the Company representing more than 50% of the issued and outstanding voting power of the Company;</p> <p>(c) any consolidation, amalgamation, scheme of arrangement, merger or similar transaction of any members of the Group;</p>

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## DEFINITIONS

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	(d) any direct or indirect sale, transfer, lease or other disposition of 50% or more of the assets (including, for the avoidance of doubt, intellectual property) of the members of the Group through a single transaction or a series of related transactions (including dispositions of subsidiaries); or
	(e) the exclusive licensing of all or substantially all of the intellectual property of the members of the Group to any person other than a member of the Group
“Relevant Period”	each period of twelve months ending on a Semi-year Date that postdates the first anniversary of Completion
“Relevant Ratio”	has the meaning ascribed to it under the new Bye-laws as set out in the Appendix to this circular
“RMB”	Renminbi, the lawful currency of the PRC
“RMB Subscription Price”	the RMB equivalent of the Subscription Price based on an HK\$-to-RMB exchange rate of 1:0.89 as provided in the Subscription Agreement, being RMB0.445 with respect to each Class A Convertible Preference Share and RMB0.623 with respect to each Class B Convertible Preference Share
“Share(s)”	the Ordinary Share(s) and Convertible Preference Share(s)
“Shareholder(s)”	holder(s) of the Shares of the Company
“Semi-year Date”	each of 30 June and 31 December
“SFC”	The Securities and Futures Commission of Hong Kong
“SGM”	a special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Subscription Agreement and the transactions contemplated thereunder, the Specific Mandate, the amendments to the Bye-laws and the increase in authorised share capital of the Company for the purpose of creating and issuing the Convertible Preference Shares

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## DEFINITIONS

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“Specific Mandate”	the specific mandate to be sought from the Shareholders at the SGM for the allotment and issuance of the Convertible Preference Shares and the allotment and issue of the Conversion Shares to the Convertible Preference Shareholder(s) upon conversion of any or part of the Convertible Preference Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership)* (珠海德祐博暉企業管理諮詢中心(有限合夥)), a limited partnership established in the PRC
“Subscription”	the subscription by the Subscriber or its affiliate for the Convertible Preference Shares pursuant to and in accordance with the terms under the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 9 September 2022 entered into between the Company and the Subscriber in relation to the subscription of the Convertible Preference Shares (as amended and supplemented by the Supplemental Agreement)
“Subscription Price”	the subscription price of HK\$0.5 per Class A Convertible Preference Share and HK\$0.7 per Class B Convertible Preference Share
“Supplemental Agreement”	the supplemental agreement dated 8 December 2022 entered into between the Company and the Subscriber to amend and supplement certain terms of the Subscription Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

\* for identification purposes only

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LETTER FROM THE BOARD

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愛帝宮母嬰健康股份有限公司  
AIDIGONG MATERNAL & CHILD HEALTH LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 286)**

*Executive Directors:*

Ms. Zhu Yufei  
*(Chairman and Chief Executive Officer)*  
Mr. Cheung Wai Kuen  
Mr. Lin Jiang  
Mr. Li Runping  
Ms. Meng Lijia

*Non-executive Director:*

Mr. Guo Qifei

*Independent Non-executive Directors:*

Ms. Yu Lin  
Mr. Wong Yiu Kit, Ernest  
Mr. Huang Wenhua

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Office in Hong Kong:*

Unit E, 28th Floor,  
YHC Tower, 1 Sheung Yuet Road,  
Kowloon Bay, Kowloon  
Hong Kong

9 December 2022

*To the Shareholders*

Dear Sir/Madam,

**I. PROPOSED ISSUE OF CONVERTIBLE PREFERENCE SHARES  
UNDER SPECIFIC MANDATE  
II. AMENDMENTS OF THE BYE-LAWS  
III. INCREASE IN AUTHORISED SHARE CAPITAL  
AND  
IV. NOTICE OF SPECIAL GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcements of the Company dated 9 September 2022 and 8 December 2022 in relation to, among other things, that the Company entered into the Subscription Agreement (as amended by the Supplemental Agreement) with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe, or procure its affiliate to subscribe, for, the Convertible Preference Shares for an aggregate Consideration of HK\$224,719,101.6, representing the Subscription Price of HK\$0.5 per Class A Convertible Preference Share and HK\$0.7 per Class B Convertible Preference Share.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with, among other things, further details of (i) the proposed issue of Convertible Preference Shares and Conversion Shares under Specific Mandate; (ii) the amendments of the Bye-laws; (iii) the increase in the authorised share capital of the Company; and (iv) notice of SGM.

### THE SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are set out below:–

- Date:** 9 September 2022 (as amended and supplemented by the Supplemental Agreement dated 8 December 2022)
- Parties:**
- (a) the Company (as issuer); and
  - (b) Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership)\* (珠海德祐博暉企業管理諮詢中心(有限合夥))(as subscriber), a third party independent of the Company and its connected persons.
- Subject matter:** Subject to the fulfilment of the conditions precedent as mentioned below, the Company will allot and issue the 187,265,918 Class A Convertible Preference Shares and 187,265,918 Class B Convertible Preference Shares to the Subscriber or its affiliate at an aggregate Consideration of HK\$224,719,101.6, representing the Subscription Price of HK\$0.5 per Class A Convertible Preference Share and HK\$0.7 per Class B Convertible Preference Share, and shall be paid in RMB equivalent amount (i.e. RMB200,000,000) upon Completion (for this purpose, the exchange rate for HK\$ and RMB is 1:0.89).
- Subscription Price:** The Subscription Price of HK\$0.5 per Class A Convertible Preference Share (which is equivalent to the relevant Conversion Price) represents:–
- (a) a premium of approximately 108.3% over the unaudited consolidated net asset value per Ordinary Share of approximately HK\$0.24 as at 30 June 2022;
  - (b) a discount of approximately 13.8% over the closing price of HK\$0.58 per Ordinary Share as quoted on the Stock Exchange on 9 September 2022, being the date of the Subscription Agreement;

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## LETTER FROM THE BOARD

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- (c) a discount of approximately 10.7% over the average of the closing prices of HK\$0.56 per Ordinary Share for the five consecutive trading days immediately preceding the date of the Subscription Agreement;
- (d) a premium of approximately 4.2% over the average of the closing price of HK\$0.48 per Ordinary Share for the 30 consecutive trading days immediately preceding the date of the Subscription Agreement; and
- (e) a premium of approximately 25.0% over the closing price of HK\$0.40 per Ordinary Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price of HK\$0.7 per Class B Convertible Preference Share (which is equivalent to the relevant Conversion Price) represents:-

- (a) a premium of approximately 191.7% over the unaudited consolidated net asset value per Ordinary Share of approximately HK\$0.24 as at 30 June 2022;
- (b) a premium of approximately 20.7% over the closing price of HK\$0.58 per Ordinary Share as quoted on the Stock Exchange on 9 September 2022, being the date of the Subscription Agreement;
- (c) a premium of approximately 25.0% over the average of the closing prices of HK\$0.56 per Ordinary Share for the five consecutive trading days immediately preceding the date of the Subscription Agreement;
- (d) a premium of approximately 45.8% over the average of the closing price of HK\$0.48 per Ordinary Share for the 30 consecutive trading days immediately preceding the date of the Subscription Agreement; and
- (e) a premium of approximately 75.0% over the closing price of HK\$0.4 per Ordinary Share as quoted on the Stock Exchange on the Latest Practicable Date.

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## LETTER FROM THE BOARD

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The Consideration and the Subscription Price were determined after arm's length negotiations between the Company and the Subscriber after taking into account the prevailing market price of the Ordinary Shares and the financial position of the Group.

The Subscription Price of HK\$0.5 per Class A Convertible Preference Share was determined with reference to the average closing price of the Ordinary Shares for the three consecutive months immediately preceding the date of the Subscription Agreement in order to account for short-term fluctuations of the Company's stock price performance, whilst the Subscription Price of HK\$0.7 per Class B Convertible Preference Share was determined with reference to the average closing price of the Ordinary Shares for the 15 consecutive months immediately preceding the date of the Subscription Agreement in order to account for a fairer view of the Company's long-term historical performance. Depending on the future market conditions, the Subscriber can elect to convert anytime during the 30-month period beginning on the first anniversary of Completion.

**Conditions  
precedent:**

Completion is conditional upon the fulfilment (or, where applicable, waiver) of the following conditions:–

- (a) the Subscriber has completed its due diligence on the business, legal and financial position of the Group and the Subscriber is satisfied with the due diligence results (including but not limited to the issue of a legal opinion by the Company's Bermuda legal adviser which is to the Subscriber's satisfaction);
- (b) the Shareholders have passed the resolutions at the SGM in accordance with the Listing Rules and the Constitutional Documents approving the Subscription Agreement and the transactions contemplated thereunder (including but not limited to the issuance of the Convertible Preference Shares, the issuance of the Conversion Shares upon conversion of the Convertible Preference Shares, and the amendment of the Constitutional Documents);

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## LETTER FROM THE BOARD

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- (c) the Listing Committee of the Stock Exchange has granted or agreed to grant the listing of, and permission to deal in, all of the Conversion Shares to be issued upon conversion of the Convertible Preference Shares, and providing to the Subscriber with the listing approval letter issued by the Listing Division of the Stock Exchange as proof;
- (d) the Company has performed all of its obligations on or before Completion, and the Company's basic warranties are true, accurate and complete and are not untrue, incorrect, incomplete or misleading in any respect and the Company's warranties (other than the Company's basic warranties) are true, accurate and complete and are not untrue, incorrect, incomplete or misleading in any material respect;
- (e) the Ordinary Shares continue to remain listed on the Main Board of the Stock Exchange and have not been suspended from trading for more than 10 trading days, and there are no changes, effects, events, circumstances and/or factual conditions that could reasonably be expected to cause the Ordinary Shares to lose their listing status on the Main Board of the Stock Exchange or be suspended from trading for more than 10 trading days;
- (f) the Founder of postpartum care centre has provided the Company with a signed non-competition undertaking (in the form as set out in the Subscription Agreement) and has not breached such non-competition undertaking;
- (g) the Subscriber has performed all of its obligations on or before Completion and the Subscriber's basic warranties are true, accurate and complete and are not untrue, incorrect, incomplete or misleading in any respect;

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## LETTER FROM THE BOARD

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- (h) the Subscriber has obtained the necessary approvals and consents in respect of the transactions contemplated under the Subscription Agreement (including but not limited to its board approval(s), its shareholders' approval(s) and approval(s) from its or its direct or indirect shareholders' investment committee(s)) to approve the Subscription and the execution of the Subscription Agreement and other related documents, and all necessary governmental and/or regulatory approvals required in respect of the transactions contemplated under the Subscription Agreement (including but not limited to the filing with the commercial administration authorities and obtaining the Enterprise Overseas Investment Certificate (企業境外投資證書), the filing with the development and reform authorities and obtaining the Filing of Overseas Investment Project (境外投資項目備案通知書) and the completion of the foreign exchange registration in respect of overseas direct investment with the administration of foreign exchange and the banks);
- (i) (a) all other necessary waivers, consents and approvals (if required) from the Stock Exchange and the SFC, with respect to the Subscription Agreement and the transactions contemplated thereunder having been obtained and fulfilled, and (b) the Company's full compliance with all requirements under the Listing Rules;
- (j) the Company's proposed amendments to the Constitutional Documents have become legally effective, properly filed with the Bermuda Companies Registry, and have not been further amended;
- (k) the Group has entered into the Luofushan Disposal Agreement and completed the Disposal in accordance with the terms disclosed in the Company's announcement published on 28 August 2022 (the "**Announcement**") (subject to the completion of the equity transfer registration) and the Group has not, has no obligation to and will not pay or incur any further consideration, costs, fees or payments (other than reasonable expenses not exceeding RMB100,000) in connection with the Disposal save as those disclosed in the Announcement;

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## LETTER FROM THE BOARD

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- (l) save as disclosed by the Company, there has been no material adverse change (as defined in the Subscription Agreement) to the Group; and
- (m) no judgment, conservatory or other decision, order or statutory restriction, impediment, prohibition or restriction of the Subscription has been made by any court or regulatory body.

The Subscriber may waive all or any of the above conditions (except (c), (g), (i)(a) and (m)) by giving written notice to the Company on or before the Long Stop Date. The Company may waive condition (g) above by giving written notice to the Subscriber on or before the Long Stop Date. Conditions (c) and (m) above can only be waived upon written confirmation by both the Subscriber and the Company. The Company will not waive conditions (c) and (g) above.

In relation to condition (i) above, save as disclosed in the conditions precedent above, the Company is not aware of any requirement to obtain waivers, consents or approvals from the Stock Exchange or the SFC as at the Latest Practicable Date.

The Company shall use reasonable endeavours to procure the fulfillment of conditions (a), (b), (c), (d), (e), (f), (i), (j), (k), (l) and (m) above, and the Subscriber shall provide reasonable assistance to the Company in a timely manner for the fulfillment of the above-mentioned conditions. The Subscriber shall use reasonable endeavours to procure the fulfillment of the conditions (g) and (h) above, and the Company shall provide reasonable assistance to the Subscriber in a timely manner for the fulfillment of the above conditions.

As at the Latest Practicable Date, condition (k) has been fulfilled and none of the other conditions have been fulfilled.

Either party (in the case of (b) below, only the party which was not in breach of the Subscription Agreement) has the right to terminate the Subscription Agreement immediately (except for certain circumstances provided in the Subscription Agreement) by giving written notice to the other party:

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## LETTER FROM THE BOARD

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- (a) Completion has not taken place at or before 5:00 p.m. on the Long Stop Date; provided that a party has breached any representation, warranty, undertaking or agreement of the Subscription Agreement and such breach has resulted in the failure of the Completion at or before such time, such defaulting party shall not be entitled to terminate the Subscription Agreement; or
- (b) a party has materially breached the Subscription Agreement, and such breach will result in any of the above conditions precedent not being fulfilled or waived, and such breach cannot be rectified or is not rectified within five Business Days after the other party has notified the defaulting party.

**Completion:** Completion shall take place on the tenth Business Day (or such other dates as may be agreed between the parties in writing) following the satisfaction of the final condition precedent of the Subscription Agreement (except for conditions which by their nature can only be fulfilled on the date of Completion).

The Company should ensure that each conversion of the Convertible Preference Shares (i) will not trigger the mandatory general offer obligation under the Takeovers Code; (ii) will not cause the Company to fail to meet the public float requirement under the Listing Rules; (iii) will not violate the Listing Rules in force at the time of conversion and/or applicable laws and regulations, or trigger Rule 7.27B of the Listing Rules in force on the date of the Subscription Agreement, resulting in a theoretical dilution effect of 25% or more.

The Company will seek the grant of the Specific Mandate from the Shareholders at the SGM to allot and issue the Convertible Preference Shares to the Subscriber or its affiliate and to allot and issue the Conversion Shares to the Convertible Preference Shareholder(s) upon conversion of any or part of the Convertible Preference Shares.

### TERMS OF THE CONVERTIBLE PREFERENCE SHARES

The principal terms of the Convertible Preference Shares are set out below:–

**Issuer:** The Company

**Par value:** HK\$0.01 each

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## LETTER FROM THE BOARD

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- Conversion Price:** With respect to Class A Convertible Preference Shares, initially HK\$0.5, and with respect to Class B Convertible Preference Shares, initially HK\$0.7, in each case, as adjusted by the adjustment events (as set out below) (“**Conversion Price**”).
- Conversion period:** Conversion at any time during the 30-month period beginning on the first anniversary of Completion.
- Conversion mechanism:** Each Convertible Preference Share may be converted into Conversion Shares as equal to the quotient of the Subscription Price divided by the then effective Conversion Price, resulting in an initial conversion ratio of 1:1 for each Convertible Preference Share.
- Dividend:** The Company shall pay the Preferred Dividend subject to the relevant laws and regulations of Bermuda.

So long as the Company has not redeemed all of the Convertible Preference Shares in issue pursuant to the Subscription Agreement, each Convertible Preference Shareholder shall have the right to receive for each Convertible Preference Share held by it, *pari passu* with the other Convertible Preference Shareholders, fixed cumulative preferential cash dividends (“**Preferred Dividends**”) at the rate of 4.0% per annum on the RMB Subscription Price, payable annually in RMB in arrears out of the profits of the Company available for distribution, prior and in preference to, and satisfied before, any dividend or other distribution on any other class or series of equity securities of the Company. If the profits of the Company available for distribution is insufficient to permit the payment of all the Preferred Dividends in full, then the amount legally available for distribution shall be distributed ratably among all Convertible Preference Shareholders in proportion to the aggregate Preferred Dividends each Convertible Preference Shareholder would otherwise be entitled to receive pursuant to the preceding sentence. No dividend or distribution may be declared, paid, set aside or made with respect to any equity securities of the Company other than the Convertible Preference Shares at any time unless all accrued but unpaid dividends on the Convertible Preference Shares have been paid in full.

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## LETTER FROM THE BOARD

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**Distribution of  
assets:**

Upon occurrence of a Relevant Event, the assets and funds of the Company available for distribution among the Shareholders shall, subject to applicable laws, be applied in the following order of priority:

- (a) First, prior to any distribution to the Ordinary Shareholders, to each Convertible Preference Shareholder with respect to each Convertible Preference Share held by it, the amount in RMB equal to the greater of: (i) the RMB Subscription Price, plus simple interest of 13% per annum commencing on the date of Completion and ending on the date of such distribution to such Convertible Preference Shareholder in full, less the Preferred Dividends paid by the Company on such Convertible Preference Share, and (ii) the amount that such Convertible Preference Shareholder would be entitled to receive with respect to such Convertible Preference Share if all the Convertible Preference Shares held by it were converted into Ordinary Shares immediately before the record date for such distribution at the then effective Conversion Price. In the case of (i), upon such distribution to any Convertible Preference Shareholder in full, the Company shall have discharged its obligations to pay any accrued or declared but unpaid Preferred Dividend on the Convertible Preference Shares held by such Convertible Preference Shareholder. If the assets and funds of the Company available for distribution shall be insufficient to provide for full payment to the Convertible Preference Shareholders, the Company shall make payment on the Convertible Preference Shares on a pro-rata basis.
- (b) Then, the remaining assets and funds shall be distributed to the holders of Ordinary Shares ratably.

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## LETTER FROM THE BOARD

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**Voting rights:**

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

Convertible Preference Shareholders attending a general meeting in person or by proxy or by representative (in the case of a corporation) shall be entitled to:

- (a) on a show of hands, each Convertible Preference Shareholder present in person or represented by an authorised representative or, in the case of a corporation, by proxy may cast one vote as a Convertible Preference Shareholder; and
- (b) on a poll, each Convertible Preference Shareholder present in person or represented by an authorised representative or, in the case of a corporation, by proxy may cast one vote for each Ordinary Share held by such Convertible Preference Shareholder on an as-converted basis.

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## LETTER FROM THE BOARD

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**Redemption:** *Redemption at the election of the Company*

The Company shall have the right to request, by 30 Business Days' prior written notice to any Convertible Preference Shareholder specifying the Convertible Preference Shares to be redeemed from such Convertible Preference Shareholder (the "**Company Requested Redemption Shares**", such notice, the "**Company Redemption Notice**"), to redeem all or any of the outstanding Convertible Preference Shares held by it upon occurrence of any of the following events: (i) 18 months having lapsed from Completion; or (ii) the average closing price of the Shares trading on the Main Board of the Stock Exchange for the 3-month period immediately preceding the date of the Company Redemption Notice being no less than HK\$2.00 per Share. If any Convertible Preference Shareholder elects to convert any Company Requested Redemption Share held by it into Ordinary Shares by written notice to the Company within 30 Business Days after the delivery of the Company Redemption Notice, the Company shall have no right to redeem such Company Requested Redemption Share. To the extent no such election is so made with respect to the Company Requested Redemption Shares, the Company shall redeem the Company Requested Redemption Shares on the 30th Business Day after the delivery of the Company Redemption Notice by paying the redemption price in RMB in immediately available funds to such Convertible Preference Shareholder. Until its receipt of the Company's payment of the redemption price in full, the Convertible Preference Shareholder shall remain the legal and beneficial owner of each Company Requested Redemption Share to be redeemed by the Company and shall enjoy all rights and privileges attached thereto, and the Company shall not declare or pay any dividend, make any other distribution or otherwise decrease its profits or funds available for distribution.

The redemption price per Convertible Preference Share shall be equal to (i) the RMB Subscription Price, plus (ii) simple interest of 13% per annum commencing on the date of Completion and ending on the date of payment of the redemption price for such Convertible Preference Share in full, less (iii) the Preferred Dividend actually paid by the Company on such Convertible Preference Share.

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## LETTER FROM THE BOARD

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### *Redemption at the election of the Convertible Preference Shareholders*

Each Convertible Preference Shareholder shall have the right to request, at any time after the first occurrence of any of the events set out in the Subscription Agreement and, unless any of the events set out in (j) below occurs, before expiry of the 42-month period from the date of Completion, the Company to redeem all or part of the outstanding Convertible Preference Shares held by it by written notice to the Company (the “**Investor Redemption Notice**”) specifying the number of Convertible Preference Shares to be redeemed (the “**Redemption Shares**”), these events include, among others:

- (a) two years having lapsed from the date of Completion;
- (b) a sale, transfer, lease or other disposition of all or substantially all of the assets owned and used by the Company primarily for the operation of its postpartum business to any person other than any wholly-owned subsidiary of the Company through a single transaction or a series of related transactions;
- (c) a Relevant Event (other than any liquidation, winding-up or dissolution of the Company);
- (d) the Founder of postpartum care centre ceasing to hold any full-time management position in the Group;
- (e) a breach of the undertaking in relation to the Disposal provided under the Subscription Agreement by the Company;
- (f) a major transaction or a very substantial disposal (each as defined in the Listing Rules) having been proposed or effected by any members of the Group or any members of the Group having entered into any agreement or other arrangement with respect to such transaction or disposal;
- (g) a breach by the Founder of postpartum care centre of the non-competition undertaking given by it to the Company as set out in the Subscription Agreement;
- (h) the Founder of postpartum care centre holding less than 5% of the then issued Ordinary Shares;

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## LETTER FROM THE BOARD

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- (i) the Relevant Ratio for any Relevant Period exceeding 4.5 or a breach by the Company of Clause 5.3 of the amended bye-laws in the new Bye-laws (as set out in the Appendix to this circular) which is not cured within 15 days;
- (j) the Company or any of its Subsidiaries having taken any action with respect to any of the following matters:
  - i. merger, split, reorganisation, consolidation, change of control, trade sale, liquidation or winding-up, or any other Relevant Event, unless it would not adversely affect any Convertible Preference Shareholder or any of its economic or other right or interest;
  - ii. issuance of any equity securities other than Ordinary Shares, unless and to the extent that the Company has offered in writing within 30 days prior to such issuance to issue all such equity securities to the Convertible Preference Shareholders (or their affiliates as may be designated by them) on the same terms and conditions or terms and conditions that are more favourable to the Convertible Preference Shareholders, and the Convertible Preference Shareholders have declined or otherwise failed to accept such offer to subscribe for such Equity Securities by written notice within 20 days from receiving such written offer;
  - iii. amend the terms, rights, preferences or privileges of the Convertible Preference Shares or any other provision of the Constitutional Documents;
  - iv. (i) providing any loans to any connected person or any guarantees or security in connection with the obligations of any connected person, or (ii) any other transaction with any connected person in excess of HK\$50,000,000 individually or HK\$100,000,000 in the aggregate in any 12-month period, in each case, other than connected transactions and continuing connected transactions disclosed in the 2021 annual report of the Company and continuations thereof on terms and conditions that are not less favourable to the members of the Group than those so disclosed;

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## LETTER FROM THE BOARD

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- v. incurrence of any loans or other indebtedness, or guarantees of or indemnities for any indebtedness, other than
  - a. refinancing of existing indebtedness on terms not materially less favourable to the members of the Group; and
  - b. loans or borrowings from banks on prevailing commercial terms and not exceeding HK\$30,000,000 in one transaction or a series of related transactions or HK\$50,000,000 in the aggregate in any 12-month period; or
  
- vi. agreement to do any of (i) to (v) above.

For the avoidance of doubt, each Convertible Preference Shareholder shall have the right to request, at any time after the occurrence of any of the events set out in (j) above, the Company to redeem all or part of the outstanding Convertible Preference Shares held by it.

On the 30th Business Day from the date of the Investor Redemption Notice, the Company shall redeem each Redemption Share from the relevant Convertible Preference Shareholder by paying the redemption price in RMB in immediately available funds to such Convertible Preference Shareholder. Until its receipt of the Company's payment of the redemption price in full, the Convertible Preference Shareholder shall remain the legal and beneficial owner of each Redemption Share and shall enjoy all rights and privileges attached thereto, and the Company shall not declare or pay any dividend, make any other distribution or otherwise decrease its profits or funds available for distribution.

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## LETTER FROM THE BOARD

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In the event of any exercise of right by a Convertible Preference Shareholder pursuant to the events set out above, the redemption price per Convertible Preference Share shall be calculated as follows:

Exercise of redemption right by a Convertible Preference Shareholder pursuant to:	The redemption price per Convertible Preference Share shall equal to:
<ul style="list-style-type: none"><li>- Events (a) to (i) above; or</li><li>- Event (j) above on or after 12 months from Completion, or the payment of the redemption price pursuant to such exercise not having been made in full within 12 months from Completion,</li></ul>	(i) the RMB Subscription Price, plus (ii) simple interest of 13% per annum commencing on the date of Completion and ending on the date of payment of the redemption price for such Convertible Preference Share in full, less (iii) the Preferred Dividend actually paid by the Company on such Convertible Preference Share
<ul style="list-style-type: none"><li>- Event (j) above, and the payment of the redemption price pursuant to such exercise having been made in full within 12 months from Completion,</li></ul>	(i) the RMB Subscription Price, plus (ii) 13% of the RMB Subscription Price, less (iii) the Preferred Dividend actually paid by the Company on such Convertible Preference Share

The Board considers that the difference in the redemption price as illustrated in the table above is fair and reasonable because the redemption events set out under (a) to (i) are mainly events that may affect the normal operations of the Group as a whole, whilst the redemption events set out under (j) may adversely impact the operations or financial conditions of the Group, and the Company currently does not foresee the happening of any event under (j) within 12 months from Completion. Hence, taking into account its impact towards the Group and its likelihood of occurrence, the Company believes it is reasonable to offer a higher redemption price to the Convertible Preference Shareholders as compensation in the event that any of such event occurs under (j) arises within 12 months from Completion.

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## LETTER FROM THE BOARD

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The Board is of the view that the events for redemption would not restrict the normal business activities and corporate actions of the Company for the following reasons:

- in the event that any of the redemption events occurs, or if the Board considers that those actions contemplated under the redemption events are necessary and are in the interest of the Group, the Company would still be able to perform those actions and then redeem the Convertible Preference Shares upon request by the Convertible Preference Shareholder; and
- the Company has considered other financing alternatives apart from the issue the Convertible Preference Shares, such as bank borrowings, and the corporate restrictions normally attached to them. The Company is of the view that the issue of the Convertible Preference Shares, in accordance with its terms of redemption, is appropriate after careful assessment of the merits of the other options.

The Company considers that the Subscription is beneficial to the Company as it will broaden the Company's shareholder base upon conversion of the Convertible Preference Shares and attract more potential investors. As the Subscriber is a member of a well-established global private equity firm (the "**Investor Group**"), this can demonstrate the commitment of the Investor Group to the Company and its confidence towards the prospects of the Group. The Subscription may also be beneficial to future potential cooperation opportunities between the Investor Group and the Group.

**Transferability:**

Unless the Company has materially breached the terms of the Subscription Agreement or the Constitutional Documents, no Convertible Preference Shareholder shall transfer its Convertible Preference Shares, in whole or in part, to any third party (except for any affiliate of such Convertible Preference Shareholder) without the written consent of the Company subject to compliance with the conditions of the Constitutional Documents and the conditions, approvals, requirements and any other provisions of or under the Listing Rules (including any approval(s) that may be required from the Stock Exchange in case the Convertible Preference Shares are transferred to a connected person of the Company), and all applicable laws and regulations.

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## LETTER FROM THE BOARD

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**Anti-dilution:**

The Conversion Price shall be adjusted when the following event(s) arises:

- (a) If at any time the number of outstanding Ordinary Shares proportionately changes as a result of share split, share division, share combination, share dividend, reorganisation, mergers, consolidations, reclassifications, exchanges, substitutions, recapitalisation or similar events, then the Conversion Price shall be proportionately adjusted.
- (b) If at any time, the Company issues equity securities for a consideration per Ordinary Shares (on a fully diluted basis) less than the then-effective Conversion Price of any class of Convertible Preference Shares, then, as of the date of such issue or sale, the Conversion Price of such class of Convertible Preference Shares shall be adjusted in accordance with the following formula:

$$CP_2 = CP_1 * (A+B)/(A+C)$$

Where:

CP<sub>2</sub> = the adjusted applicable Conversion Price in effect immediately after such issuance of Equity Securities

CP<sub>1</sub> = the applicable Conversion Price in effect immediately prior to such issuance of Equity Securities

A = the sum of the number of Ordinary Shares outstanding on an as-converted basis immediately prior to such issuance of Equity Securities

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## LETTER FROM THE BOARD

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- B = the number of Ordinary Shares (on a fully diluted basis) that would have been issued if such Equity Securities had been issued at a price per Ordinary Share equal to  $CP_1$ , determined by dividing the aggregate consideration received by the Issuer in respect of such issuance by  $CP_1$  (in the case of any consideration other than cash, such consideration shall be deemed to be the fair market value thereof as determined by the Board acting reasonably and in good faith)
- C = the number of Ordinary Shares issued in the subject transaction on a fully diluted basis

For the avoidance of doubt, event (b) above shall exclude any share to be issued (i) under the agreement entered into between the Company and Hongchang International Investment Limited dated 27 October 2020 (further details are being disclosed in the circular of the Company dated 8 December 2020); and (ii) pursuant to the exercise of any option or the grant of any share under any share option scheme or share award scheme of the Company adopted prior to the date of the Subscription Agreement.

In case any event shall occur as to which the provisions of (a) and (b) above are not strictly applicable, but the failure to make any adjustment to the Conversion Price with respect to any Convertible Preference Shares would not fairly protect the conversion rights or economic interests of the holders of such Convertible Preference Shares or the value of the Convertible Preference Shares, then, in each such case, the Board, in good faith, shall, subject to (i) the prior written consent of holders of a majority of the then outstanding Convertible Preference Shares; and (ii) an ordinary resolution by the Ordinary Shareholders, determine the appropriate adjustment to be made, on a basis consistent with the essential intent and principles established in (a) and (b) above, necessary to preserve, without dilution, the conversion rights and economic interests of the holders of such Convertible Preference Shares and the value of the Convertible Preference Shares, which shall be in compliance with all the then relevant Listing Rules requirements, including Rule 16.03 of the Listing Rules.

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## **LETTER FROM THE BOARD**

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No fractional Ordinary Shares shall be issued upon conversion of any Convertible Preference Shares. In lieu of any fractional shares to which the Convertible Preference Shareholder would otherwise be entitled, the Company shall pay cash equal to such fraction multiplied by the closing price of the Ordinary Shares as quoted on the Stock Exchange on the date of conversion.

As at the Latest Practicable Date, the Company has no convertible preference shares in issue.

### **APPLICATION FOR LISTING**

No listing will be sought for the Convertible Preference Shares on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the 374,531,836 Conversion Shares.

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## LETTER FROM THE BOARD

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### EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after the allotment and issue of the Conversion Shares upon full conversion of all the Convertible Preference Shares (assuming there are no other changes in the issued share capital of the Company between the Latest Practicable Date and immediately after the allotment and issue of the Conversion Shares upon full conversion of all the Convertible Preference Shares):

Name of Shareholders	As at the Latest Practicable Date		Immediately after the allotment and issue of the Conversion Shares upon full conversion of all the Convertible Preference Shares	
	Number of Ordinary Shares	Approximate %	Number of Ordinary Shares	Approximate %
Champion Dynasty Limited <sup>(1)</sup>	830,379,671	19.11	830,379,671	17.59
Ms. Zhu Yufei <sup>(2)</sup>	415,151,755	9.55	415,151,755	8.80
Suntak Global Growth Fund SPC – Suntak Global Growth Fund Number One SP Limited	398,304,379	9.17	398,304,379	8.44
The Subscriber	–	–	374,531,836 <sup>(3)</sup>	7.94
Public Shareholders	<u>2,701,179,169</u>	<u>62.17</u>	<u>2,701,179,169</u>	<u>57.23</u>
Total:	<u>4,345,014,974</u>	<u>100.00</u>	<u>4,719,546,810</u>	<u>100.00</u>

*Notes:*

- (1) Champion Dynasty Limited is a company wholly owned by Mr. Cheung Wai Kuen, an executive Director of the Company.
- (2) Ms. Zhu Yufei is (i) beneficially interested in 255,151,755 Ordinary Shares; (ii) deemed to be interested in 60,000,000 Ordinary Shares through Hongchang International Investment Limited; and (iii) deemed to be interested in 100,000,000 Ordinary Shares through Hongyuan Investment Limited, both her controlled corporations.
- (3) The number of Ordinary Shares is calculated based on the assumption that (i) each Convertible Preference Share is being converted into one Conversion Share; and (ii) the Conversion Price for Class A Convertible Preference Shares and Class B Convertible Preference Shares is HK\$0.5 and HK\$0.7, respectively.
- (4) The above percentages are subject to rounding adjustments.

### INFORMATION OF THE COMPANY AND THE GROUP

The Company is an exempted company incorporated in the Bermuda with limited liability. The Group primarily engages in the postpartum care services business.

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## LETTER FROM THE BOARD

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### INFORMATION OF THE SUBSCRIBER

Zhuhai Deyou Bohui Enterprise Management Consulting Center (Limited Partnership)(珠海德祐博暉企業管理諮詢中心(有限合夥)) is a limited partnership established in the PRC, the general partner of which is Zhuhai Gao Ling Deyou Investment Management Co., Ltd. (珠海高瓴德祐投資管理有限公司), which is owned as to 55% by Zhuhai Ruo Ci Enterprise Management Consulting Center (Limited Partnership)(珠海若慈企業管理諮詢中心(有限合夥)), which is 100% owned by Ms. ZHU Xiuhua. The sole limited partner of the Subscriber is Zhuhai Gao Ling Deyou Investment Partnership Enterprise (Limited Partnership)(珠海高瓴德祐投資合夥企業(有限合夥)), a registered investment fund with Asset Management Association of China (registration number: SJP752), the general partner of which is Zhuhai Gao Ling Deyou Investment Management Co., Ltd. (珠海高瓴德祐投資管理有限公司) and the investment manager is Zhuhai Gao Ling Equity Investment Management Co., Ltd. (珠海高瓴股權投資管理有限公司), a limited liability company established in the PRC (“**Zhuhai Gao Ling**”). Zhuhai Gao Ling partners with exceptional entrepreneurs and management teams to create value with a focus on enacting innovation and technological transformation.

### REASONS AND BENEFITS FOR THE ISSUE OF CONVERTIBLE PREFERENCE SHARES

The Directors are of the view that the Subscription is a good opportunity for the Company to raise capital for repaying debts and for general working capital, while broadening its capital based.

The Company has considered other fund-raising methods, including bank borrowings and rights issue or open offer to existing Shareholders, and is of the view that the Subscription is the most ideal method of raising funds for the following reasons:

- the Company had approached banks for loan facilities to refinance the existing loans but had not received more favourable terms than the Convertible Preference Shares;
- in respect of rights issue or open offer to existing Shareholders, although the existing Shareholders would be able to maintain their pro rata shareholding in the Company, these fund-raising methods would need a relatively longer time frame to complete, as there would be relatively lengthy and heavy preparation work for issuing of a more detailed listing document. Furthermore, the Company would have to spend more time to liaise with the parties involved such as the professional advisers, underwriters, share registrar, and financial printer, and incur more expenses such as underwriting commission, documentation and other professional fees associated with the rights issue or open offer; and

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## LETTER FROM THE BOARD

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- the Directors consider that the Subscription will not only broaden the Company's shareholder base (upon conversion of the Convertible Preference Shares), but can also demonstrate confidence in the future development of the sector in which the Group operates and the prospects of the Group, and may attract other potential investors to invest in the Group in the future.

Considering the above, the Directors consider the transactions contemplated under the Subscription Agreement to be fair and reasonable and are in the best interest of the Shareholders as a whole.

### LISTING RULES IMPLICATION

Pursuant to Rule 7.27B of the Listing Rules, a listed issuer may not undertake a rights issue, open offer or specific mandate placings that would result in a theoretical dilution effect of 25% or more (on its own or when aggregated within a 12-month period), unless the Stock Exchange is satisfied that there are exceptional circumstances.

The Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The issuance and allotment of the Convertible Preference Shares and Conversion Shares will result in a theoretical dilution effect of approximately 0.28%, which is below 25% threshold as specified under Rule 7.27B of the Listing Rules. As such, the theoretical dilution impact of the issuance of the Convertible Preference Shares is in compliance with Rule 7.27B of the Listing Rules.

### USE OF PROCEEDS

The aggregate Consideration for the subscription of the Convertible Preference Shares is HK\$224,719,101.6. The net proceeds from the issue of the Convertible Preference Shares, after deduction of all relevant expenses incidental to the Subscription, are estimated to be approximately HK\$222,719,000, and the estimated net prices per Class A Convertible Preference Shares and Class B Convertible Preference Shares are approximately HK\$0.49 and HK\$0.69, respectively. The Group intends to apply the aforesaid net proceeds by September 2023 in the following manner:

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## LETTER FROM THE BOARD

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- approximately 70% of the net proceeds, which is equivalent to approximately HK\$155,730,000, for repaying debts consisting of (i) 17 bond payables with an aggregate principal amount of approximately HK\$58,100,000 owing to financial institutions, which have to be repaid between December 2022 and February 2023; (ii) four bank loans with an aggregate principal amount of approximately HK\$56,000,000 owing to a commercial bank, which have to be repaid between December 2022 to September 2023; and (iii) nine other loans owing to individuals and corporations that are independent third parties with an aggregate principal amount of approximately HK\$41,630,000, which have to be repaid between December 2022 to February 2023; and
- approximately 30% of the net proceeds, which is equivalent to approximately HK\$66,989,000, for general working capital purpose, including (i) approximately HK\$11,318,000 for finance cost; and (ii) approximately HK\$55,671,000 for other expenses, such as staff costs, rental expenses and legal fee.

### **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS**

The Company did not conduct any equity fund raising activities in the past 12 months immediately before the Latest Practicable Date.

### **AMENDMENT OF THE BYE-LAWS**

Subject to the approval of the Shareholders at the SGM, the Board proposes that the Convertible Preference Shares be created and that the Bye-laws be amended to, among others, reflect the increase in authorised share capital of the Company and incorporate the terms of the Convertible Preference Shares as summarised in the paragraph headed “Terms of the Convertible Preference Shares” in this circular. The amendments to the Bye-laws are subject to the approval of the Shareholders by way of special resolution at the SGM.

A draft of the proposed new Bye-laws marked to show changes to the existing Bye-laws is set out in the Appendix of this circular.

The amendments to the existing Bye-laws by way of adoption of new Bye-laws are subject to the grant of specific mandate from the Shareholders at the SGM.

The legal advisers of the Company as to Hong Kong law have confirmed to the Company that the proposed new Bye-laws conform with the requirements of the Listing Rules and the legal advisers to the Company as to Bermuda law have confirmed to the Company that the proposed new Bye-laws do not violate the laws of Bermuda. In addition, the Company confirms that there is nothing unusual about the proposed new Bye-laws for a company listed in Hong Kong.

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## LETTER FROM THE BOARD

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The Shareholders are advised that the Bye-laws are drafted in English and there is no official Chinese translation of them. The Chinese translation of the Bye-laws is provided for reference only. In the event of any inconsistency between English version and Chinese version, the English version shall prevail.

### **INCREASE IN AUTHORISED SHARE CAPITAL**

In anticipation of the issue of the Convertible Preference Shares at Completion, the Directors proposed to increase the authorised share capital of the Company from HK\$800,000,000,000 divided into 80,000,000,000 Shares of par value HK\$0.01 each to HK\$80,800,000,000 divided into 80,000,000,000 Ordinary Shares, 400,000,000 Class A Convertible Preference Shares and 400,000,000 Class B Convertible Preference Shares of par value HK\$0.01 each by the creation of 400,000,000 new Class A Convertible Preference Shares and 400,000,000 new Class B Convertible Preference Shares, each having the rights and restrictions of each of the Class A Convertible Preference Shares and Class B Convertible Preference Shares as set out in Schedule A to the new Bye-laws.

### **RECOMMENDATIONS**

The Directors consider that the terms of the Subscription Agreement, the Specific Mandate, the amendments to the Bye-laws, the adoption of the new Bye-laws and the increase in authorised share capital of the Company are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders to vote in favour of the resolutions to be proposed at the SGM.

Yours faithfully,

By order of the Board

**Aidigong Maternal & Child Health Limited**

**Zhu Yufei**

*Chairman*

**NEW BYE-LAWS**

**OF**

**Aidigong Maternal & Child Health Limited 愛帝宮母嬰健康股份有限公司**

(Adopted at a special~~an annual~~ general meeting held on [30 December] 2022~~28 June 2022~~)

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## INTERPRETATION

1. In these Bye-laws, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

<u>WORD</u>	<u>MEANING</u>
“Act”	the Companies Act 1981 of Bermuda, as amended from time to time.
“address”	shall have the ordinary meaning given to it and shall include any facsimile number, electronic number or address or website used for the purposes of any communication pursuant to these Bye-laws.
“Auditor”	the auditor of the Company for the time being and may include any individual or partnership.
“Bye-laws”	these Bye-laws in their present form or as supplemented or amended or substituted from time to time.
“Board” or “Directors”	the Board of Directors of the Company or the Directors present at a meeting of Directors at which a quorum is present or a director of the Company.
“business day”	means any day on which the Designated Stock Exchange is open for the business of dealing in securities.
“capital”	the share capital from time to time of the Company.
<u>“Class A Convertible Preference Share(s)”</u>	<u>has the meaning ascribed to it in Schedule A to these Bye-laws.</u>
<u>“Class B Convertible Preference Share(s)”</u>	<u>has the meaning ascribed to it in Schedule A to these Bye-laws.</u>
“clear days”	in relation to the period of a notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

<u>WORD</u>	<u>MEANING</u>
“clearing house”	means a recognized clearing house within the meaning of Schedule 1 to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) or a clearing house or authorised share depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction.
“close associate”	in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Bye-law 104 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. Ch.13.44
“Company”	Aidigong Maternal & Child Health Limited 愛帝宮母嬰健康股份有限公司.
“competent regulatory authority”	a competent regulatory authority in the territory where the shares of the Company are listed or quoted on a stock exchange in such territory.
<u>“Convertible Preferred Share(s)”</u>	<u>has the meaning ascribed to it in Schedule A to these Bye-laws.</u>
“debenture” and “debenture holders”	include debenture stock and debenture stockholder respectively.
“Designated Stock Exchange”	a stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company.
“dollars” and “\$”	dollars, the legal currency of Hong Kong.

<u>WORD</u>	<u>MEANING</u>
“electronic”	shall mean relating to technology having electrical, digital, magnetic, wireless, optical electromagnetic or similar capabilities and such other meanings as given to it in the Electronic Transactions Act 1999 of Bermuda as may be amended from time to time.
“head office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).
“Member”	a duly registered holder from time to time of the shares in the capital of the Company.
“month”	a calendar month.
“Notice”	written notice unless otherwise specifically stated and as further defined in these Bye-laws.
“Office”	the registered office of the Company for the time being.
<u>“Ordinary Share(s)”</u>	<u>has the meaning ascribed to it in Schedule A to these Bye-laws.</u>
“paid up”	paid up or credited as paid up.
“Register”	the principal register and where applicable, any branch register of Members of the Company to be kept pursuant to the provisions of the Act.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
“Seal”	any one or more common seals of the Company for use in Bermuda or in any place outside Bermuda.

<u>WORD</u>	<u>MEANING</u>
“Secretary”	any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, temporary or acting secretary.
“Statutes”	the Act and every other act of the Legislature of Bermuda for the time being in force applying to or affecting the Company, its memorandum of association and/or these Bye-laws.
“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 rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.
“year”	a calendar year.

2. In these Bye-laws, unless there be something within the subject or context inconsistent with such construction:
- (a) words importing the singular include the plural and vice versa;
  - (b) words importing a gender include every gender;
  - (c) words importing persons include companies, associations and bodies of persons whether corporate or not;
  - (d) the words:
    - (i) “may” shall be construed as permissive;
    - (ii) “shall” or “will” shall be construed as imperative;
  - (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words in a visible form;
  - (f) references to any act, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;
  - (g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Bye-laws if not inconsistent with the subject in the context;

- (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (j) a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Bye-laws or the Statutes;
- (k) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
- (l) Schedule A to these Bye-laws relating to the rights, privileges and restrictions of the Convertible Preference Shares shall form part of these Bye-laws. In the event of inconsistency with anything in these Bye-laws, anything contained in Schedule A in respect of the Convertible Preference Shares shall prevail;
- (m) the provisions of these Bye-laws relating to “shares” shall, save as specially provided herein and unless the context otherwise requires, apply to both the Ordinary Shares and the Convertible Preference Shares; and
- (n) references in these Bye-laws to “Ordinary Shares” shall include all ordinary share capital of the Company, howsoever designated.

### SHARE CAPITAL

3. (1) The share capital of the Company at the date on which these Bye-laws come into effect shall be divided into (i) Ordinary Shares of a par value of HK\$0.01 each; (ii) Class A Convertible Preference Shares of a par value of HK\$0.01 each and (iii) Class B Convertible Preference Shares of a par value of HK\$0.01 each, unless otherwise determined by the Members.

- (2) Subject to the Act, the Company's memorandum of association and, where applicable, the rules of any Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit.
- (3) Subject to the Statutes and, where applicable, the rules of any Designated Stock Exchange, the Company may in accordance with any scheme for the time being in force and approved by the Members in general meeting provide, directly or indirectly, money or other financial assistance for the purchase of, or subscription for, fully or partly paid shares in the Company or any holding company of the Company, being a purchase of or subscription for shares by a trustee of or to be held by or for the benefit of employees of the Company, any of its subsidiaries, any holding company of the Company or any subsidiary of any such holding company in each such case whether incorporated in Bermuda or elsewhere including any directors holding a salaried employment or office with or in any such company and so that the residual beneficiary of any such trust may be or include a charitable object.
- (4) Subject to the Statutes and, where applicable, the rules of any Designated Stock Exchange, the Company may give financial assistance on such terms as the Board thinks fit to directors and bona fide employees of the Company, its subsidiaries and any holding company of the Company and/or any subsidiary of any such holding company, in each such case whether incorporated in Bermuda or elsewhere, in order that they may buy shares (fully or partly paid) in the Company or any holding company of the Company and such terms may include a provision stating that when a director ceases to be a director of, or an employee ceases to be employed by the Company or such other company, shares bought with such financial assistance shall or may be sold to the Company or such other company on such terms as the Board thinks fit.

#### **ALTERATION OF CAPITAL**

4. The Company may from time to time by ordinary resolution in accordance with Section 45 of the Act:
  - (a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
  - (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

- (c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in General Meeting, as the Directors may determine provided always that where the Company issue shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”;
  - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum of association (subject, nevertheless, to the Act), 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 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; and
  - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.
5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Bye-law and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or, resolve that such net proceeds be paid to the Company for the Company’s benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.
6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its authorised or issued share capital or any share premium account or other undistributable reserve in any manner permitted by law.
7. Except so far as otherwise provided by the conditions of issue, or by these Bye-laws, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Bye-laws with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

**SHARE RIGHTS**

8. Subject 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 Company may by ordinary resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board may determine.
9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorized by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine.

**VARIATION OF RIGHTS**

10. Subject to the Act, Schedule A to these Bye-laws, and without prejudice to Bye-law 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 Bye-laws relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:
  - (a) the necessary quorum (other than at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in the 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 authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum;
  - (b) every holder of shares of the class shall be entitled to one vote for every such share held by him.
11. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

**SHARES**

12. (1) Subject to the Act and these Bye-laws, 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.
- (2) The Board may issue warrants in registered form conferring the right upon the holders thereof to subscribe for any class of shares in the capital of the Company on such terms as it may from time to time determine.
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 Act. Subject to the 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.
14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Bye-laws or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
15. Subject to the Act and these Bye-laws, 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 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. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates need not be autographic but may be affixed to such certificate by some mechanical means or may be printed thereon or that such certificates need not be signed by any person.

17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.
- (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 and subject to the provisions of these Bye-laws all or any other matters connected with the Company, except the transfer of the share, be deemed the sole holder thereof.
18. Every person whose name is entered as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.
19. Share certificates shall be issued in the case of an issue of shares within ten (10) business days or such other period as may be specified by the Designated Stock Exchange from time to time as terms of the issue provide after allotment or in the case of a transfer of fully or partly paid shares within ten (10) business days or such other period as may be specified by the Designated Stock Exchange from time to time after lodgment of a transfer with the Company, not being a transfer which the Company is for the time being entitled to refuse to register and does not register.
20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Bye-law. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.
- (2) The fee referred to in paragraph (1) above shall be an amount not exceeding such maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.

21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant member upon request and on payment of such fee as the Designated Stock Exchange may determine to be the maximum payable or such lesser sum as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Directors of the Company are satisfied beyond reasonable doubt that the original has been destroyed.

#### **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, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member of the Company or not. The Company's lien or 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 Bye-law.
23. Subject to these Bye-laws, 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 clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of 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.

24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **CALLS ON SHARES**

25. Subject to these Bye-laws 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 clear days' notice specifying the time and place of payment) pay to the Company as required by such 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.
26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments. The Directors may make arrangements on the issue of shares for a difference between the shareholders in the amount of calls to be paid and in the times of payment.
27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.
28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may agree to accept, but the Board may in its absolute discretion waive payment of such interest wholly or in part.
29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any General Meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

30. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minutes book, and that notice of such call was duly given to the Member sued, in pursuance of these Bye-laws; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Bye-laws shall apply as if that amount had become due and payable by virtue of a call duly made and notified.
32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.
33. The Board may receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's notice in writing of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Where any interest is paid, the holder of the share or shares shall not be entitled to participate in respect thereof in a dividend subsequently declared.

#### **FORFEITURE OF SHARES**

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' notice:
- (a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and
  - (b) stating that if the notice is not complied with the shares on which the call was made will be liable to be forfeited.

- (2) If the requirements of any such notice are not complied with, and share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.
35. When any share has been forfeited, 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.
36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Bye-laws to forfeiture will include surrender.
37. Until cancelled in accordance with the requirements of the Act, a forfeited share shall be the property of the Company and may be sold, re-allotted or otherwise disposed of the such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.
38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited share but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the share, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited share, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.
39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share.

40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.
41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.
42. The provisions of these Bye-laws as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **REGISTER OF MEMBERS**

43. (1) The Company shall keep in one or more books a Register of its Members and shall enter therein the following particulars, that is to say:
  - (a) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;
  - (b) the date on which each person was entered in the Register; and
  - (c) the date on which any person ceased to be a Member.
- (2) Subject to the Act, the Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.
44. The Register and branch register of Members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Office or such other place at which the Register is kept in accordance with the Act. The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) 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.

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**RECORD DATES**

45. Notwithstanding any other provision of these Bye-laws the Directors may fix any date as the record date for:
- (a) determining the Members entitled to receive any dividend and such record date may be on, or not more than 30 days before or after, any date on which such dividend is declared;
  - (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

**TRANSFER OF SHARES**

46. Subject to these Bye-laws, any Member may transfer all or any of his shares by an instrument of transfer in the usual common form or in any other form approved by the Board and may be under hand only.
47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. The Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Bye-laws shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.
48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four (4) joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.
- (2) No transfer shall be made to an infant or to a person of unsound mind or under other legal disability.
- (3) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer.

- (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 it shall, without giving any reason therefore, 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.
49. Without limiting the generality of the last preceding Bye-law, the Board may decline to recognise any instrument of transfer unless:–
- (a) a fee of such sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;
  - (b) the instrument of transfer is in respect of only one class of share;
  - (c) the instrument of transfer is lodged at the Office 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
  - (d) if applicable, the instrument of transfer is duly and properly stamped.
50. If the Board refuses to register a transfer of any share, it shall, within two (2) months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.
51. The registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty (30) days in any year) as the Board may determine.

#### **TRANSMISSION OF SHARES**

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Bye-law will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

53. Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Bye-laws relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.
54. A person becoming entitled to a share by reason of the death or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Bye-law 74(2) being met, such a person may vote at meetings.

#### **UNTRACEABLE MEMBERS**

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Bye-law, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.
- (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) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Bye-laws of the Company have remained uncashed;
  - (b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and

- (c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to and caused advertisement in 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.

For the purpose of the foregoing, the “relevant period” means the period commencing twelve years before the date of publication of the advertisement referred to in paragraph (c) of this Bye-law and ending at the expiry of the period referred to in that paragraph.

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

#### GENERAL MEETINGS

56. Subject to the Act, an annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened and such annual general meeting must be held within six (6) months after the end of the Company’s financial year (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting. App.3  
14(1)
57. Each general meeting, other than an annual general meeting, shall be called a special general meeting. 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 special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (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 requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act. App.3  
14(5)

#### NOTICE OF GENERAL MEETINGS

59. (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days. All other general meetings (including a special general meeting) must be called by Notice of not less than fourteen (14) clear days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed: App.3  
14(2)
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - (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 representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all the Members.
- (2) The period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held, and shall specify 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 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 Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to each of the Directors and the Auditors.
60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS**

61. (1) All business shall be deemed special that is transacted at a special general meeting, and also all business that is transacted at an annual general meeting, with the exception of sanctioning dividends, the reading, considering and adopting of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet, the election of Directors and appointment of Auditors and other officers in the place of those retiring, the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.
- (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 (in the case of a Member being a corporation) by its duly authorised representative or by proxy or, for quorum purposes only, two persons appointed by the clearing house as 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 place or to such time and place as the Board may determine.
63. 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 a general meeting. If at any meeting no chairman is present within fifteen (15) minutes after the time appointed for holding the meeting, or is 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.

64. The Chairman may, 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 and from place to place as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than 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' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice 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 of an adjournment. No business shall be transacted at any such adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
65. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

#### VOTING

66. (1) Subject to Schedule A to these Bye-laws, any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-laws, 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 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 being a corporation, is present by a duly authorized representative), 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 Bye-law, 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.
- (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:

Ch.  
13.39(4)

App.13  
19

- (a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative 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 in the case of a Member being a corporation by its duly authorised representative 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 or in the case of a Member being a corporation by its duly authorised representative 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 minutes book of the Company, shall be conclusive evidence of the fact 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 Rules.
- 68. Intentionally deleted
- 69. Intentionally deleted
- 70. Intentionally deleted
- 71. On a poll votes may be given either personally or by proxy.
- 72. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.
- 73. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Bye-laws or by the 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.

74. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Bye-law be deemed joint holders thereof.
75. (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 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, as the case may be.
- (2) Any person entitled under Bye-law 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, 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.
76. (1) No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any General Meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- (2) All Members 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 rules of the Designated Stock Exchange, to abstain from voting to approve the matter under consideration.

- (3) Where the Company has knowledge that any Member is, under the Listing Rules, 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.

77. If:

- (a) any objection shall be raised to the qualification of any voter; or
- (b) any votes have been counted which ought not to have been counted or which might have been rejected; or
- (c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned 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

78. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.
79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the 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 fact.

App.3  
18  
App.3  
19

80. 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 notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned 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 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.
81. 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 notice of any meeting forms of instrument of proxy for use 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 of the meeting as for the meeting to which it relates.
82. 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 convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, at which the instrument of proxy is used.
83. Anything which under these Bye-laws a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Bye-laws relating to proxies and instruments appointing proxies shall apply mutatis mutandis in relation to any such attorney and the instrument under which such attorney is appointed.

**CORPORATIONS ACTING BY REPRESENTATIVES**

84. (1) Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these Bye-laws be deemed to be present in person at any such meeting if a person so authorised is present thereat. App.3  
18
- (2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), 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 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 Bye-law 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 clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation 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. App.3  
19
- (3) Any reference in these Bye-laws to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Bye-law.

**WRITTEN RESOLUTIONS OF MEMBERS**

85. (1) Subject to the Act, 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 of and to attend and vote at general meetings of the Company shall, for the purposes of these Bye-laws, be treated as a resolution duly passed at a general meeting of the 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.

- (2) Notwithstanding any provisions contained in these Bye-laws, a resolution in writing shall not be passed for the purpose of removing a Director before the expiration of his term of office under Bye-law 86(4) or for the purposes set out in Bye-law 154(3) relating to the removal and appointment of the Auditor.

#### BOARD OF DIRECTORS

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than four (4). The Directors shall be elected or appointed in the first place at the statutory meeting of members and thereafter in accordance with the next following Bye-law unless the Statutes otherwise require in which case at the annual general meeting; and who shall hold office until the next appointment of Directors or until their successors are elected or appointed. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) 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, subject to authorisation by the Members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed shall hold office until the first following annual general meeting of the Company after his appointment and shall then be eligible for re-election. App.3  
4(2)
- (3) Unless otherwise required by the Statutes, 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 notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.
- (4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal. App.3  
4(3)

- (5) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (4) above may be filled by the election or appointment of the Members at the meeting at which such Director is removed to hold office until the next appointment of Directors or until their successors are elected or appointed or, in the absence of such election or appointment such general meeting may authorise the Board to fill any vacancy in the number left unfilled.
- (6) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than four (4).

### **RETIREMENT OF DIRECTORS**

87. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed by the Board pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. App.14  
B2.2
- (2) A retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
  - (3) The Company at the meeting at which a Director retires under any provision of these presents may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for election. In default the retiring Director shall be deemed to have been re-elected except in either of the following cases:
    - (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re- election of such Director is put to the meeting and lost; or
    - (b) where such Director has given notice in writing to the Company that he is unwilling to be re- elected.

- (4) The retirement of a Director pursuant to the foregoing sub-paragraphs of this Bye-law shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.
88. A resolution for the election of two or more persons as Directors by a single resolution shall not be moved at any general meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void.
89. 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. Ch.13.70

#### **DISQUALIFICATION OF DIRECTORS**

90. The office of a Director shall be vacated if the Director:
- (1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;
  - (2) becomes of unsound mind or dies;
  - (3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months, and his alternate Director, if any, shall not during such period have attended in his stead and the Board resolves that his office be vacated;
  - (4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
  - (5) is prohibited by law from being a director; or
  - (6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Bye-laws.

**EXECUTIVE DIRECTORS**

91. The Board may from time to time appoint one or more of its body to be a Managing Director, Joint Managing Director or Deputy Managing Director or to hold any other employment or executive office with the Company for such period (subject to the Statutes) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director for any breach of any contract of service between him and the Company which may be involved in such revocation or termination.
92. An executive director appointed to an office under Bye-law 91 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and with such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may determine, and either in addition to or in lieu of his remuneration as a Director.

**ALTERNATE DIRECTORS**

93. Subject to the Statutes, any Director may at any time by notice in writing delivered to the Office or at a meeting of the Directors appoint any person to be his alternate director and may at his discretion remove such alternate director. If such alternate director is not another director, such appointment, unless previously approved by the Board, shall have effect only upon and subject to it being so approved. Any appointment or removal of an alternate director shall be effected by notice in writing signed by the appointor and delivered to the Office or tendered at a meeting of the Board. An alternate director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Bye-laws shall apply as if he were a Director.

94. Every person acting as an alternate director shall (except as regards power to appoint an alternate director and remuneration) be subject in all respects to the provisions of these Bye-laws relating to Directors 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 in writing to the Company from time to time direct.
95. Every person acting as an alternate director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). The signature of an alternate director to any resolution in writing of the Board or a committee of the Board shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
96. An alternate director shall *ipso facto* cease to be an alternate director if his appointor ceases for any reason to be a Director provided that, if at any meeting any Director retires by rotation or otherwise but is re-elected at the same meeting, any appointment made by him pursuant to these Bye-laws which was in force immediately before his retirement shall remain in force as though he had not retired.

#### **DIRECTORS' FEES AND EXPENSES**

97. The ordinary remuneration of the Directors shall from time to time be determined by the Company in General Meeting and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as it may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.
98. Each Director shall be entitled to be prepaid all travelling, hotel and incidental expenses reasonably expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.
99. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law.

100. The Board shall obtain the approval of the Company in General Meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

#### **DIRECTORS' INTERESTS**

101. A Director may:

- (a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and, subject to the relevant provisions of the Act, upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Bye-law;
- (b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;
- (c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. The Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director of the Company may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

102. Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, 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 Bye-law 103 herein.

103. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Bye-law, a general notice to the Board by a director to the effect that:

- (a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (b) he is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Bye-law in relation to any such contract or arrangement, provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

104. (1) Save as otherwise provided by these Bye-laws, 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 to the knowledge of such Director materially interested, but this prohibition shall not apply to any of the following matters namely: Ch.13.44

- (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) [Intentionally deleted]
  - (iv) 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;
  - (v) 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.
- (2) [Intentionally deleted]
- (3) [Intentionally deleted]

- (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**

105. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Bye-laws required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Bye-laws and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Bye-law shall not be limited or restricted by any special authority or power given to the Board by any other Bye-law.
- (2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law be binding on the Company.
- (3) Without prejudice to the general powers conferred by these Bye-laws it is hereby expressly declared that the Board shall have the following powers:
- (a) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.

- (b) To give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.
106. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any local board or any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.
107. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and directions (not exceeding those vested in or exercisable by the Board under these Bye-laws) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Company's Seal.
108. The Board may entrust to and confer upon any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.
109. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

110. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.
- (2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

#### **BORROWING POWERS**

111. 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 Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
112. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
113. Any debentures, debenture stock, bonds or other securities (other than shares) may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.
114. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the members or otherwise, to obtain priority over such prior charge.

- (2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Act, 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 Act in regard to the registration of charges and debentures therein specified and otherwise.

#### **PROCEEDINGS OF THE DIRECTORS**

115. The Board may meet for the despatch of business, adjourn 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.
116. 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 of which notice may be given in writing 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 the President or Chairman, as the case may be, or any Director. Any Director may waive notice of any meeting either prospectively or retrospectively.
117. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be two (2). An alternate director shall be counted in a quorum in the case of the absence of a director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.
- (2) Directors may participate in any Meeting of the Board by means of a conference telephone or other communications equipment through which all persons participating in the Meeting can communicate with each other and such participation shall constitute presence at a Meeting as if those participating were present in person.
- (3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.
118. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Bye-laws, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Bye-laws as the quorum or that there is only one continuing director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.

119. The Board may elect one or more 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 no chairman or 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.
120. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.
121. (1) The Board may delegate any of its powers, authorities and discretions to committees, consisting of such director or directors as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.
- (2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board shall have power, with the consent of the Company in general meeting, to remunerate the members of any special committee, and charge such remuneration to the current expenses of the Company.
122. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Bye-laws for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Bye-law.
123. 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 subject to Bye-law 93 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 Bye-laws) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. 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 provided that the document containing the original signature of the Director or alternate director is deposited with the Secretary within ten (10) days from the date of the facsimile. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.

124. All acts bona fide done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

#### **MANAGERS**

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

#### **OFFICERS**

128. (1) Subject to the Statutes, the officers of the Company shall consist of at least one Chairman, a Managing Director, a Secretary and such additional officers as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Statutes and these Bye-laws.
- (2) The officers shall receive such remuneration as the Directors may from time to time determine.
129. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two (2) or more persons may be appointed as Joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more Assistant or Deputy Secretaries.

- (2) The Secretary shall attend all meetings of the Members and of the Directors 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 Act or these Bye-laws or as may be prescribed by the Board.

130. [Intentionally omitted.]

131. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

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

#### **MINUTES**

133. The Board shall cause Minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointment of officers;
- (b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;
- (c) of all resolutions and proceedings of each general meeting of the Members, meetings of the Board and meetings of committees of the Board.

#### **SEAL**

134. (1) The Company shall have one or more Seals, as the Board may determine. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Bye-laws, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in manner provided by this Bye-law shall be deemed to be sealed and executed with the authority of the Board previously given.

- (2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Bye-laws reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

#### **AUTHENTICATION OF DOCUMENTS**

135. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

#### **DESTRUCTION OF DOCUMENTS**

136. The Company shall be entitled to destroy the following documents at the following times:
- (a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;
  - (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;
  - (c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;
  - (d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and
  - (e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of two (2) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that: (1) the foregoing provisions of this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company that preservation of such document was relevant to a claim; (2) nothing contained in this Bye-law shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Bye-law to the destruction of any document include references to its disposal in any manner.

#### **DIVIDENDS AND OTHER PAYMENTS**

137. Subject to the Act, the Company in General Meeting may from time to time declare dividends to be paid to the Members according to their rights and interests in the profits available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board.
138. No dividend shall be paid otherwise than out of profits available for distribution (such profits being ascertained in accordance with the Act) or contributed surplus.
139. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:
- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Bye-law as paid up on the share; and
  - (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

140. The Board may~~-,~~ subject to Schedule A to these Bye-laws, from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board justifies such payment.
141. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.
142. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.
143. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.
144. Subject to Schedule A to these Bye-laws, ~~a~~All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

145. Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared, subject to Schedule A to these Bye-laws, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective.
146. (1) Whenever the Board or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, subject to Schedule A to these Bye-laws, the Board may further resolve either:
- (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:
    - (i) the basis of any such allotment shall be determined by the Board;
    - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
    - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

- (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non-elected shares”) and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or
- (b) that the shareholders entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:
  - (i) the basis of any such allotment shall be determined by the Board;
  - (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks’ notice in writing to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
  - (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

- (2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law 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.
- (b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Bye-law, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit or fractional entitlements accrues to the Company rather than to the members concerned). The Board may authorise any person to enter into on behalf of all members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.
- (3) The Company may upon the recommendation of the Board by special resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Bye-law a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.
- (4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Bye-law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.

### RESERVES

147. Subject to Schedule A to these Bye-laws, Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

**CAPITALISATION**

148. (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 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 amount for the time being unpaid on any shares in the Company held by such Members respectively 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 Bye-law, a share premium account and any 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. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.
- (2) Notwithstanding any provisions in these Bye-laws, 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 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.

149. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Bye-law and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

#### **SUBSCRIPTION RIGHTS RESERVE**

150. The following provisions shall have effect at any time and from time to time that they are not prohibited or inconsistent with the Statutes:

- (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:
  - (a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a reserve (the “Subscription Rights Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;
  - (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;

- (c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:
- (i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
  - (ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holders; and
- (d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrant holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend on other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising warrant holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrant holder upon the issue of such certificate.

- (2) Shares allotted pursuant to the provisions of this Bye-law shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Bye-law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrant holder or class of warrant holders under this Bye-law without the sanction of a special resolution of such warrant holders or class of warrant holders.
- (4) A certificate or report by the Auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrant holders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrant holders and shareholders.

#### **ACCOUNTING RECORDS**

151. 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 Act or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
152. The accounting records shall be kept at the Office or, subject to the Act, at such other place or places as the Board decides and shall always be open to inspection by the Directors of the Company. No Member (other than a Director of the Company) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board.

153. Subject to Section 88 of the Act, a printed copy of the Director's 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, 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 laid before the Company in general meeting in accordance with the requirements of the Act provided that this Bye-law 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.

#### AUDIT

154. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special 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 Members appoint another auditor. 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. App. 3  
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- (2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at an annual general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before the annual general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor.
- (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by extraordinary 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. App. 13  
17
155. Subject to Section 88 of the Act the accounts of the Company shall be audited at least once in every year.
156. The remuneration of the Auditor shall be fixed by the Company by ordinary resolution in general meeting or in such manner as the Members may determine. App. 3  
17
157. 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 Bye-law may be fixed by the Board. Subject to Bye-law 154(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 154(1) at such remuneration to be determined by the Members under Bye-law 156.

158. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.
159. The statement of income and expenditure and the balance sheet provided for by these Bye-laws shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than Bermuda. If the auditing standards of a country or jurisdiction other than Bermuda are used, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

#### NOTICES

160. (a) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Bye-laws shall be in writing or, to the extent permitted by the Statutes and any applicable rules prescribed by the Listing Rules from time to time and subject to this Bye-law, contained in an electronic communication. A notice calling a meeting of the Directors need not be in writing.
- (b) Any notice or document to be given to or by any person pursuant to these Bye-laws may be served on or delivered to any Member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such Member at his registered address as appearing in the Register or by leaving it at that address addressed to the Member or, to the extent permitted by the applicable Statutes and the Listing Rules, by telex, facsimile transmission number or other electronic transmission number, address or website provided by the Member to the Company for the purpose of transmission or by any other means authorised in writing by the Member concerned or (other than share certificates) by publishing it by way of advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in Hong Kong. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Statutes and any rules prescribed by the Listing Rules from time to time, a notice or document may be served or delivered by the Company to any Member by electronic means to such address as may from time to time be authorised by the Member concerned or by publishing it on a website and notifying the Member concerned that it has been so published (“notice of availability”). The notice of availability may be given to the Member by any of the means set out above (except by way of publishing on a website), subject to compliance with the requirements of the Statutes and the Designated Stock Exchange.

- (c) Any such notice or document may be served or delivered by the Company by reference to the Register as it stands at any time not more than fifteen days before the date of service or delivery. No change in the Register after that time shall invalidate that service or delivery. Where any notice or document is served or delivered to any person in respect of a share in accordance with these bye-laws, no person deriving any title or interest in that share shall be entitled to any further service or delivery of that notice or document.
- (d) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the head office or the registered office of the Company in Bermuda.
- (e) The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.

161. Any notice or other document:

- (a) if served or delivered by post, shall be sent airmail where appropriate and shall be deemed to have been served or delivered at the time when the envelope containing the same properly prepaid, addressed and is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic means (including through any relevant system but excluding paragraph (d) below), shall be deemed to have been given on the date that the electronic communication was sent or transmitted by or on behalf of the Company;
- (c) published by way of advertisement in newspapers shall be deemed to have been given by the Company to the Members on the day it was so published;
- (d) published on a website shall be deemed given by the Company to a Member on the later of (i) the date on which a notice of availability is deemed served on such Member and (ii) the date on which such notice or document has been published on the website; and

- (e) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant dispatch or transmission; and in proving such service or delivery, a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof.

Any notice or document served or delivered by the Company by any other means authorised in writing by the Member concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose.

162. Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Bye-laws shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

#### **SIGNATURES**

163. For the purposes of these Bye-laws, a cable or telex or facsimile 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 or a Director or alternate director, 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 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.

#### **WINDING UP**

164. (1) Subject to Bye-law 164(2) and Schedule A to these Bye-laws, 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) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

165. 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 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 property 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.

#### **INDEMNITY**

166. (1) The Directors, Secretary and other officers and every Auditor of the Company for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be 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 wilful negligence, wilful default, fraud or dishonesty which may attach to any of said persons.
- (2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any wilful negligence, wilful default, fraud or dishonesty which may attach to such Director.

**ALTERATION OF BYE-LAWS AND AMENDMENT TO MEMORANDUM OF  
ASSOCIATION AND NAME OF COMPANY**

167. No Bye-law shall be rescinded, altered or amended and no new Bye-law shall be made until the same has been approved by a resolution of the Directors and confirmed 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.

App.3  
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Schedule A

Terms of the Convertible Preference Shares

DEFINITIONS

<u>“Accounting Principles”</u>	<u>Hong Kong Financial Reporting Standards (“HKFRS”), applied on a consistent basis</u>
<u>“Affiliate”</u>	<u>with respect to any Convertible Preference Shareholder, any other Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by, or is under common Control with, such Convertible Preference Shareholder, including any investment fund (or a Subsidiary of any such investment fund) managed by the same manager of such Convertible Preference Shareholder or the investment fund of which such Convertible Preference Shareholder is a Subsidiary (as applicable). “Control” means, as used with respect to any Person, the possession, directly or indirectly, of the power or authority to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise; for the avoidance of doubt, such power or authority shall conclusively be presumed to exist by possession of (a) the beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be casted at a meeting of the members or shareholders of such Person, or (b) the power to appoint or elect a majority of the members of the board of directors of such Person. The terms “Controlled by” and “under common Control with” shall have correlative meanings</u>
<u>“Board”</u>	<u>the board of Directors</u>

“Borrowed Money”

at any time, the aggregate outstanding principal, capital or nominal amount of any indebtedness of members of the Group for or in respect of:

- a. borrowing money, including any premium and any capitalised interest on that money;
- b. any amount raised by the issue of shares classified as liabilities under the Accounting Principles;
- c. any bond, note, loan stock, debenture, commercial paper or similar instrument;
- d. any acceptances under any acceptance credit facility or bill-discounting facility, note purchase or documentary credit facilities (or dematerialised equivalent);
- e. monies raised by selling, assigning or discounting receivables or other financial assets on terms that recourse may be had to a member of the Group if those receivables or financial assets are not paid when due;
- f. any deferred payments for assets or services acquired, other than trade credit that is given in the ordinary course of trade and which does not involve any deferred payment of any amount for more than 60 days;
- g. any capital balance outstanding under any Finance Lease;
- h. any counter-indemnity obligation in respect of any guarantee, bond, indemnity, standby letter of credit or other instrument issued by a third party in connection with a member of the Group’s performance of a contract;
- i. any other transaction that has the commercial effect of borrowing (including any forward sale or purchase agreement or sale and leaseback agreement) or is otherwise classified as borrowings under the Accounting Principles; and
- j. any guarantee, counter-indemnity or other assurance against financial loss given by a member of the Group for any indebtedness of the type referred to in paragraphs (a) to (j) above,

	<u>but shall not include amounts that would otherwise be taken into account that are owing by any member of the Group to any other member of the Group, and provided that no liability shall be taken into account more than once.</u>
<u>“Business Day”</u>	<u>a day (excluding a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong and the PRC are generally open for business throughout their normal business hours</u>
<u>“Cash and Cash Equivalents”</u>	<u>In respect of the Group, the aggregate (on a consolidated basis) of cash in hand and deposits beneficially owned by it and held with a bank or financial institution, which is repayable either on demand or on not more than 30 days’ notice without penalty</u>
<u>“Class A Convertible Preference Share(s)”</u>	<u>the 187,265,918 new class A non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the capital of the Issuer to be subscribed by the Subscriber under the Subscription Agreement</u>
<u>“Class B Convertible Preference Share(s)”</u>	<u>the 187,265,918 new class B non-voting and redeemable convertible preference shares of par value of HK\$0.01 each in the capital of the Issuer to be subscribed by the Subscriber under the Subscription Agreement</u>
<u>“Completion”</u>	<u>completion of the Subscription Agreement in accordance with Clause 5 of the Subscription Agreement</u>
<u>“Constitutional Documents”</u>	<u>the memorandum of association and bye-laws of the Issuer (as amended from time to time)</u>
<u>“Conversion Price”</u>	<u>with respect to Class A Convertible Preference Shares, initially HK\$0.5, and with respect to Class B Convertible Preference Shares, initially HK\$0.7, in each case, as adjusted from time to time in accordance with Clause 7 of this Schedule</u>
<u>“Conversion Right”</u>	<u>the right held by Convertible Preference Shareholders to convert any Convertible Preference Share into Ordinary Share</u>

<u>“Conversion Share(s)”</u>	<u>the Ordinary Share(s) to be allotted and issued upon exercise of the Conversion Right by a Convertible Preference Shareholder</u>
<u>“Convertible Preference Shares”</u>	<u>Class A Convertible Preference Shares and Class B Convertible Preference Shares</u>
<u>“Convertible Preference Shareholder(s)”</u>	<u>a person or persons who is or are registered in the register required to be maintained by the Issuer as a holder or joint-holders of the Convertible Preference Shares</u>
<u>“Director(s)”</u>	<u>the directors of the Issuer from time to time</u>
<u>“EBITDA”</u>	<p><u>for any Relevant Period, the consolidated profit of the Group after taxation calculated under the Accounting Principles (except as required to reflect the express inclusion or exclusion of items as specified in this definition), and determined from the consolidated financial statements for that Relevant Period (as reviewed or audited by the Group’s auditor in accordance with Clause 5.3) adjusted by:</u></p> <ul style="list-style-type: none"><li><u>a. adding back income taxes charged in the consolidated profit and loss account (or, where applicable, deducting tax receivable recorded in the consolidated profit and loss account) of the Group in respect of that Relevant Period;</u></li><li><u>b. adding back any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance expenses in respect of that Relevant Period reported as finance costs/charges in the consolidated financial statements of the Group;</u></li><li><u>c. deducting any accrued interest receivable and any other item shown as finance income in the consolidated financial statements of the Group in respect of that Relevant Period;</u></li><li><u>d. adding back any amount attributable to the depreciation and impairment of property, plant and equipment and rights of use asset of members of the Group and deducting any reversals of impairments made in that Relevant Period;</u></li><li><u>e. adding back any amount attributable to amortisation and impairment of goodwill or any other intangible asset of members of the Group and deducting any reversals of impairments made in that Relevant Period;</u></li></ul>

- f. excluding earnings or losses of any member of the Group attributable to minority interests in respect of that Relevant Period; and
- g. excluding the profit and losses (calculated on the same basis as EBITDA) attributable to any other member of the Group (or to any other business) sold or otherwise disposed of during that Relevant Period;
- h. excluding any gain (or loss) from the revaluation or disposal of any assets (other than on the sale or other disposal of trading stock and work-in-progress) incurred in the profit or losses of the Group during that Relevant Period;
- i. excluding any loss incurred by new postpartum centres during the first six months since they have been open for business; and
- j. excluding any gains or losses presented separately as exceptional, one-off, non-recurring or infrequent in the profit and loss account of each member of the Group properly prepared under the Accounting Principles,

provided that if the operation of any store owned by the Group is temporarily suspended or terminated during that Relevant Period as required by laws or administrative orders imposed by any competent governmental authority in response to the COVID-19 pandemic, in calculating the EBITDA attributable to such store during that Relevant Period, such EBITDA shall be annualized for such Relevant Period by multiplying (x) the EBITDA attributable to such store during that Relevant Period, and (y) the quotient of 365 divided by the number of days during that Relevant Period on which the operation of such store is not so suspended or terminated.

<u>“Equity Securities”</u>	<u>(a) any and all shares capital, profits interests, ownership interests, equity interests, and other equity securities of the Issuer; (b) any equity appreciation, phantom equity, equity plans or similar rights with respect to the Issuer; (c) any security convertible into, exchangeable or exercisable for, any of the Equity Securities referred to in (a) and (b); or (d) or any right, warrant, option, call, commitment, conversion privilege, preemptive right or other right, contract or agreement to acquire, subscribe for or purchase any of the foregoing, either directly or indirectly</u>
<u>“Finance Lease”</u>	<u>any lease, hire agreement, credit-sale agreement, hire-purchase agreement, conditional sale agreement or instalment sale and purchase agreement relating to land, machinery, equipment or any other asset which is accounted for as a finance lease under HKFRS</u> <u>16</u>
<u>“Founder”</u>	<u>Ms. Zhu Yufei (朱昱霏)</u>
<u>“Group”</u>	<u>the group of companies comprising the Issuer and its Subsidiaries and the expression “members of the Group” or “Group Company” shall be construed accordingly</u>
<u>“Issuer”</u>	<u>the Company</u>
<u>“Listing Rules”</u>	<u>The Rules Governing the Listing of Securities on the Stock Exchange</u>
<u>“Net Debt”</u>	<u>for any Relevant Period, Borrowed Money less Cash and Cash Equivalents as of the last day in such Relevant Period</u>
<u>“on an as-converted basis”</u>	<u>assuming that all issued and outstanding Convertible Preference Shares have been converted into Ordinary Shares at the then effective Conversion Price</u>
<u>“on a fully diluted basis”</u>	<u>treating the maximum number of Ordinary Shares issuable under any issued and outstanding Equity Securities as issued and outstanding</u>
<u>“Ordinary Share(s)”</u>	<u>the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Issuer</u>
<u>“Ordinary Shareholder(s)”</u>	<u>a person or persons who is or are registered in the register required to be maintained by the Issuer as a holder or joint-holders of the Ordinary Shares</u>

<u>“Person”</u>	<u>any individual or any partnership, firm, corporation, limited liability company, association, trust, unincorporated organisation or other entity</u>
<u>“PRC”</u>	<u>the People’s Republic of China, excluding Hong Kong Special Administrative Region, Taiwan and Macau Special Administrative Region for the purpose of this Schedule</u>
<u>“Relevant Event”</u>	<p>(a) <u>any liquidation, winding-up or dissolution of the Issuer, whether voluntary or involuntary;</u></p> <p>(b) <u>any transaction or series of related transactions in which a Person, or a group Persons, acquires any Equity Securities of the Issuer such that, immediately after such transaction or series of related transactions, such Person or group of related Persons holds Equity Securities of the Issuer representing more than 50% of the issued and outstanding voting power of the Issuer;</u></p> <p>(c) <u>any consolidation, amalgamation, scheme of arrangement, merger or similar transaction of any Group Company;</u></p> <p>(d) <u>any direct or indirect sale, transfer, lease or other disposition of 50% or more of the assets (including, for the avoidance of doubt, intellectual property) of the Group Companies through a single transaction or a series of related transactions (including dispositions of subsidiaries); or</u></p> <p>(e) <u>the exclusive licensing of all or substantially all of the intellectual property of the Group Companies to any Person other than a Group Company.</u></p>
<u>“Relevant Period”</u>	<u>each period of twelve months ending on a Semi-year Date that postdates the first anniversary of Completion</u>
<u>“Relevant Ratio”</u>	<u>for any Relevant Period, the ratio that the Net Debt bears to the EBITDA</u>
<u>“RMB”</u>	<u>Renminbi, the lawful currency of the PRC</u>
<u>“RMB Subscription Price”</u>	<u>the RMB equivalent of the Subscription Price based on an HK\$-to-RMB exchange rate of 1:0.89, being RMB0.445 with respect to each Class A Convertible Preference Share and RMB0.623 with respect to each Class B Convertible Preference Share</u>

<u>“Semi-year Date”</u>	<u>each of 30 June and 31 December</u>
<u>“Shareholder(s)”</u>	<u>holder(s) of the Shares of the Issuer</u>
<u>“Stock Exchange”</u>	<u>The Stock Exchange of Hong Kong Limited</u>
<u>“Subscriber”</u>	<u>珠海德祐博暉企業管理諮詢中心(有限合夥), an entity established in the PRC, or any of its Affiliates as designated by it to subscribe for any Convertible Preference Shares under the Subscription Agreement</u>
<u>“Subscription Agreement”</u>	<u>the conditional subscription agreement dated 9 September 2022 entered into between the Issuer and the Subscriber in relation to the subscription of Convertible Preference Shares</u>
<u>“Subscription Price”</u>	<u>the subscription price for each Convertible Preference Share as contemplated under the Subscription Agreement, being HK\$0.5 with respect to each Class A Convertible Preference Share and HK\$0.7 with respect to each Class B Convertible Preference Share</u>
<u>“Subsidiary”</u>	<u>with respect to any Person, each other Person in which the first Person (a) owns, directly or indirectly, share capital or other Equity Securities representing more than 50% of the outstanding voting stock or other equity interests; (b) holds the rights to more than 50% of the economic interest of such other Person, including interests held through contractual arrangements; or (c) has a relationship such that the financial statements of the other Person may be consolidated into the financial statements of the first Person under applicable accounting conventions</u>
<u>“US\$”</u>	<u>United States dollars, the lawful currency of the United States</u>

## **1. As regards dividend**

- 1.1 The Issuer shall pay the Preferred Dividend subject to the relevant laws and regulations of Bermuda.
- 1.2 So long as the Issuer has not redeemed all of the Convertible Preference Shares in issue pursuant to Clause 4.1 of this Schedule, each Convertible Preference Shareholder shall have the right to receive for each Convertible Preference Share held by it, *pari passu* with the other Convertible Preference Shareholders, fixed cumulative preferential cash dividends (“Preferred Dividends”) at the rate of 4.0% per annum on the RMB Subscription Price, payable annually in RMB in arrears out of the profits of the Issuer available for distribution, prior and in preference to, and satisfied before, any dividend

or other distribution on any other class or series of Equity Securities of the Issuer. If the profits of the Issuer available for distribution is insufficient to permit the payment of all the Preferred Dividends in full, then the amount legally available for distribution shall be distributed ratably among all Convertible Preference Shareholders in proportion to the aggregate Preferred Dividends each Convertible Preference Shareholder would otherwise be entitled to receive pursuant to the preceding sentence. No dividend or distribution may be declared, paid, set aside or made with respect to any Equity Securities of the Issuer other than the Convertible Preference Shares at any time unless all accrued but unpaid dividends on the Convertible Preference Shares have been paid in full pursuant to this Section 1.2.

1.3 After payment in full of all the Preferred Dividends to each Convertible Preference Shareholder, any remaining dividend or distribution declared by the Issuer shall be distributed ratably among all Shareholders according to the relative number of Ordinary Shares held by such Shareholder on an as-converted basis.

## **2. As regards capital**

2.1 Upon the occurrence of a Relevant Event, the assets and funds of the Issuer available for distribution among the Shareholders shall, subject to applicable laws, be applied in the following order of priority:

(a) First, prior to any distribution to the Ordinary Shareholders, to each Convertible Preference Shareholder with respect to each Convertible Preference Share held by it, the amount in RMB equal to the greater of: (i) the RMB Subscription Price, plus simple interest of 13% per annum commencing on the date of Completion and ending on the date of such distribution to such Convertible Preference Shareholder in full, less the Preferred Dividends paid by the Issuer on such Convertible Preference Share, and (ii) the amount that such Convertible Preference Shareholder would be entitled to receive with respect to such Convertible Preference Share if all the Convertible Preference Shares held by it were converted into Ordinary Shares immediately before the record date for such distribution at the then effective Conversion Price. In the case of (i), upon such distribution to any Convertible Preference Shareholder in full, the Issuer shall have discharged its obligations to pay any accrued or declared but unpaid Preferred Dividend on the Convertible Preference Shares held by such Convertible Preference Shareholder. If the assets and funds of the Issuer available for distribution shall be insufficient to provide for full payment to the Convertible Preference Shareholders in accordance with Clause 2.1(a) in this Schedule, the Issuer shall make payment on the Convertible Preference Shares on a pro-rata basis.

(b) Then, the remaining assets and funds shall be distributed to the holders of Ordinary Shares ratably.

**3. As regards voting**

3.1 The Convertible Preference Shares shall not confer on the Convertible Preference Shareholders the right to receive notice of, or to attend and vote at, a general meeting of the Issuer, unless a resolution is to be proposed at a general meeting to vary or abrogate the rights of Convertible Preference Shareholders, to amend the Constitutional Documents or to wind up the Issuer, in which event the Convertible Preference Shares shall confer on the Convertible Preference Shareholders the rights to receive notice of, and to attend and vote at, that general meeting, save that the Convertible Preference Shareholders may not vote upon any business dealt with at such general meeting except the election of a chairman, any motion for adjournment and the resolution for winding-up or the resolution which if passed would (subject to any consents required for such purpose being obtained) so vary or abrogate the right or privileges of the Convertible Preference Shareholders or vary the restrictions to which the Convertible Preference Shares are subject. Convertible Preference Shareholders attending a general meeting in person or by proxy or by representative (in the case of a corporation) shall be entitled to:

- (a) on a show of hands, each Convertible Preference Shareholder present in person or represented by an authorised representative or, in the case of a corporation, by proxy may cast one vote as a Convertible Preference Shareholder; and
- (b) on a poll, each Convertible Preference Shareholder present in person or represented by an authorised representative or, in the case of a corporation, by proxy may cast one vote for each Ordinary Share held by such Convertible Preference Shareholder on an as-converted basis.

**4. As regards redemption at the election of the Issuer**

4.1 *Redemption at the election of the Issuer.* The Issuer shall have the right to request, by 30 Business Days' prior written notice to any Convertible Preference Shareholder specifying the Convertible Preference Shares to be redeemed from such Convertible Preference Shareholder (the "Issuer Requested Redemption Shares", such notice, the "Issuer Redemption Notice"), to redeem all or any of the outstanding Convertible Preference Shares held by it upon occurrence of any of the following events: (i) 18 months having lapsed from Completion; or (ii) the average closing price of the Shares trading on the Main Board of the Stock Exchange for the 3-month period immediately preceding the date of the Issuer Redemption Notice being no less than HK\$2.00 per Share. If any Convertible Preference Shareholder elects to convert any Issuer Requested Redemption Share held by it into Ordinary Shares by written notice to the Issuer within 30 Business Days after the delivery of the Issuer Redemption Notice, the Issuer shall have no right to redeem such Issuer Requested Redemption Share. To the extent no such election is so made with respect to the Issuer Requested Redemption

Shares, the Issuer shall redeem the Issuer Requested Redemption Shares on the 30th Business Day after the delivery of the Issuer Redemption Notice by paying the redemption price set out in Clause 4.2 in RMB in immediately available funds to such Convertible Preference Shareholder. Until its receipt of the Issuer's payment of the redemption price in full, the Convertible Preference Shareholder shall remain the legal and beneficial owner of each Issuer Requested Redemption Share to be redeemed by the Issuer and shall enjoy all rights and privileges attached thereto, and the Issuer shall not declare or pay any dividend, make any other distribution or otherwise decrease its profits or funds available for distribution.

4.2 *Redemption price.* The redemption price per Convertible Preference Share shall be equal to (i) the RMB Subscription Price, plus (ii) simple interest of 13% per annum commencing on the date of Completion and ending on the date of payment of the redemption price for such Convertible Preference Share in full, less (iii) the Preferred Dividend actually paid by the Issuer on such Convertible Preference Share.

**5. As regards redemption at the election of the Convertible Preference Shareholders**

5.1 *Redemption at the election of the Convertible Preference Shareholders.* Each Convertible Preference Shareholder shall have the right to request, at any time after the first occurrence of any of the events set out below and, unless any of the events set out in Clause 5.1(j) occurs, before expiry of the 42-month period from the date of Completion, the Issuer to redeem all or part of the outstanding Convertible Preference Shares held by it by written notice to the Issuer (the "Investor Redemption Notice") specifying the number of Convertible Preference Shares to be redeemed (the "Redemption Shares"):

- (a) two years having lapsed from the date of Completion;
- (b) a sale, transfer, lease or other disposition of all or substantially all of the assets owned and used by the Issuer primarily for the operation of its postpartum business to any Person other than any wholly-owned Subsidiary of the Issuer through a single transaction or a series of related transactions;
- (c) a Relevant Event (other than any liquidation, winding-up or dissolution of the Issuer);
- (d) the Founder ceasing to hold any full-time management position in the Group;
- (e) a breach of any provision of clause 6.5 of the Subscription Agreement by the Issuer;

- (f) a major transaction or a very substantial disposal (each as defined in the Listing Rules) having been proposed or effected by any Group Company, or any Group Company having entered into any agreement or other arrangement with respect to such transaction or disposal;
- (g) a breach by the Founder of the non-competition undertaking given by it to the Issuer as set out in appendix 6 to the Subscription Agreement;
- (h) the Founder holding less than 5% of the then issued Ordinary Shares;
- (i) the Relevant Ratio for any Relevant Period exceeding 4.5 or a breach by the Issuer of Clause 5.3 below which is not cured within 15 days;
- (j) the Issuer or any of its Subsidiaries having taken any action with respect to any of the following matters:

  - i merger, split, reorganisation, consolidation, change of control, trade sale, liquidation or winding-up, or any other Relevant Event, unless it would not adversely affect any Convertible Preference Shareholder or any of its economic or other right or interest;
  - ii issuance of any Equity Securities other than Ordinary Shares, unless and to the extent that the Issuer has offered in writing within 30 days prior to such issuance to issue all such Equity Securities to the Convertible Preference Shareholders (or their Affiliates as may be designated by them) on the same terms and conditions or terms and conditions that are more favourable to the Convertible Preference Shareholders, and the Convertible Preference Shareholders have declined or otherwise failed to accept such offer to subscribe for such Equity Securities by written notice within 20 days from receiving such written offer;
  - iii amend the terms, rights, preferences or privileges of the Convertible Preference Shares or any other provision of the Constitutional Documents;
  - iv (i) providing any loans to any connected person or any guarantees or security in connection with the obligations of any connected person, or (ii) any other transaction with any connected person in excess of HK\$50,000,000 individually or HK\$100,000,000 in the aggregate in any 12-month period, in each case, other than connected transactions and continuing connected transactions disclosed in the 2021 annual report of the Issuer and continuations thereof on terms and conditions that are not less favourable to the Group Companies than those so disclosed;

- v incurrence of any loans or other indebtedness, or guarantees of or indemnities for any indebtedness, other than
  - a. refinancing of existing indebtedness on terms not materially less favourable to the Group Companies; and
  - b. loans or borrowings from banks on prevailing commercial terms and not exceeding HK\$30,000,000 in one transaction or a series of related transactions or HK\$50,000,000 in the aggregate in any 12-month period; or
  
- vi agreement to do any of (i) to (v) above.

For the avoidance of doubt, each Convertible Preference Shareholder shall have the right to request, at any time after the occurrence of any of the events set out in Clause 5.1(j), the Issuer to redeem all or part of the outstanding Convertible Preference Shares held by it.

5.2 Redemption price and procedures.

- (a) In the event of any exercise of right by a Convertible Preference Shareholder pursuant to any of Clauses 5.1(a) to 5.1(i), the redemption price per Convertible Preference Share shall be equal to (i) the RMB Subscription Price, plus (ii) simple interest of 13% per annum commencing on the date of Completion and ending on the date of payment of the redemption price for such Convertible Preference Share in full, less (iii) the Preferred Dividend actually paid by the Issuer on such Convertible Preference Share;
  
- (b) In the event of any exercise of right by a Convertible Preference Shareholder pursuant to Clause 5.1(j), and the payment of the redemption price pursuant to such exercise having been made in full, in each case within 12 months from Completion, the redemption price per Convertible Preference Share shall be equal to (i) the RMB Subscription Price, plus (ii) 13% of the RMB Subscription Price, less (iii) the Preferred Dividend actually paid by the Issuer on such Convertible Preference Share; and

- (c) In the event of any exercise of right by a Convertible Preference Shareholder pursuant to Clause 5.1(j) on or after 12 months from Completion, or the payment of the redemption price pursuant to such exercise not having been made in full within 12 months from Completion, the redemption price per Convertible Preference Share shall be equal to (i) the RMB Subscription Price, plus (ii) simple interest of 13% per annum commencing on the date of Completion and ending on the date of payment of the redemption price for such Convertible Preference Share in full, less (iii) the Preferred Dividend actually paid by the Issuer on such Convertible Preference Share.

On the 30th Business Day from the date of the Investor Redemption Notice, the Company shall redeem each Redemption Share from the relevant Convertible Preference Shareholder by paying the redemption price in RMB in immediately available funds to such Convertible Preference Shareholder. Until its receipt of the Issuer's payment of the redemption price in full, the Convertible Preference Shareholder shall remain the legal and beneficial owner of each Redemption Share and shall enjoy all rights and privileges attached thereto, and the Issuer shall not declare or pay any dividend, make any other distribution or otherwise decrease its profits or funds available for distribution.

5.3 Undertaking. The Issuer shall provide each Convertible Preference Shareholder with, by way of public announcement within the period prescribed by the Listing Rules:

- (a) after the end of each Relevant Period ending on 30 June, the interim consolidated income statement, cash-flow statement and balance sheet of the Group for, and as of the last day of, such Relevant Period prepared in accordance with the Accounting Principles and reviewed by the Company's reporting accountant, which shall be an internationally recognised and reputable accounting firm, and a statement setting forth the calculation of the EBITDA for such Relevant Period in the form set out in the Appendix hereto to be included in the interim results of the Group; and
- (b) after the end of each Relevant Period ending on 31 December, the annual consolidated income statement, cash-flow statement and balance sheet of the Group for, and as of the last day of, such Relevant Period prepared in accordance with the Accounting Principles and audited by the Company's reporting accountant, which shall be an internationally recognised and reputable accounting firm, and a statement setting forth the calculation of the EBITDA for such Relevant Period in the form set out in the Appendix hereto to be included in the annual results of the Group.

**6. As regards transferability**

6.1 *Transferability of the Convertible Preference Shares.* Unless the Issuer has materially breached the terms of the Subscription Agreement or the Constitutional Documents (including, for the avoidance of doubt, the terms of this Schedule), no Convertible Preference Shareholder shall transfer its Convertible Preference Shares, in whole or in part, to any third party (except for any Affiliate of such Convertible Preference Shareholder) without the written consent of the Issuer subject to compliance with the conditions of the Constitutional Documents and the conditions, approvals, requirements and any other provisions of or under the Listing Rules (including any approval(s) that may be required from the Stock Exchange in case the Convertible Preference Shares is transferred to a connected person of the Issuer), and all applicable laws and regulations.

**7. As regards anti-dilution**

7.1 Each Convertible Preference Share may, at the election of the holder thereof at any time during the 30-month period beginning on the first anniversary of Completion, be converted into such number of fully paid and non-assessable Ordinary Shares as equal to the quotient of the Subscription Price divided by the then effective Conversion Price, resulting in an initial conversion ratio of 1:1 for each Convertible Preference Share.

7.2 The Conversion Price shall be subject to adjustment from time to time as follows:

- (a) If at any time the number of outstanding Ordinary Shares proportionately changes as a result of share split, share division, share combination, share dividend, reorganisation, mergers, consolidations, reclassifications, exchanges, substitutions, recapitalisation or similar events, then the Conversion Price shall be proportionately adjusted.
- (b) If at any time, the Issuer issues Equity Securities for a consideration per Ordinary Shares (on a fully diluted basis) less than the then-effective Conversion Price of any class of Convertible Preference Shares, then, as of the date of such issue or sale, the Conversion Price of such class of Convertible Preference Shares shall be adjusted in accordance with the following formula:

$$CP_2 = CP_1 * (A+B)/(A+C)$$

Where:

CP<sub>2</sub> = the adjusted applicable Conversion Price in effect immediately after such issuance of Equity Securities

CP<sub>1</sub> = the applicable Conversion Price in effect immediately prior to such issuance of Equity Securities

A = the sum of the number of Ordinary Shares outstanding on an as-converted basis immediately prior to such issuance of Equity Securities

B = the number of Ordinary Shares (on a fully diluted basis) that would have been issued if such Equity Securities had been issued at a price per Ordinary Share equal to CP<sub>1</sub>, determined by dividing the aggregate consideration received by the Issuer in respect of such issuance by CP<sub>1</sub> (in the case of any consideration other than cash, such consideration shall be deemed to be the fair market value thereof as determined by the Board acting reasonably and in good faith)

C = the number of Ordinary Shares issued in the subject transaction on a fully diluted basis

(c) For the avoidance of doubt, Clause 7.2(b) shall exclude any share to be issued (i) under the agreement entered into between the Company and Hongchang International Investment Limited dated 27 October 2020 (further details are being disclosed in the circular of the Company dated 8 December 2020); and (ii) pursuant to the exercise of any option or the grant of any shares under any share option scheme or share award scheme of the Company adopted prior to the date of the Subscription Agreement.

7.3 In case any event shall occur as to which the other provisions of Clause 7.2 are not strictly applicable, but the failure to make any adjustment to the Conversion Price with respect to any Convertible Preference Shares would not fairly protect the conversion rights or economic interests of the holders of such Convertible Preference Shares or the value of the Convertible Preference Shares, then, in each such case, the Board, in good faith, shall, subject to (i) the prior written consent of holders of a majority of the then outstanding Convertible Preference Shares; and (ii) an ordinary resolution by the Ordinary Shareholders, determine the appropriate adjustment to be made, on a basis consistent with the essential intent and principles established in Clause 7.2, necessary to preserve, without dilution, the conversion rights and economic interests of the holders of such Convertible Preference Shares and the value of the Convertible Preference Shares, which shall be in compliance with all the then relevant Listing Rules requirements.

- 7.4 The Issuer may effect the conversion of Convertible Preference Shares in any manner available under applicable law, including redeeming or repurchasing the relevant Convertible Preference Shares and applying the proceeds thereof towards payment for the new Ordinary Shares. Upon conversion of the Convertible Preference Shares, the Issuer shall issue such number of fully paid and non-assessable Ordinary Shares converted from such Convertible Preference Shares to the Convertible Preference Shareholder holding such Convertible Preference Shares, free of all liens and charges, and cancel the Convertible Preference Shares so converted, and shall promptly update its register of members to reflect such issuance and cancellation. Such conversion shall be deemed to have been made at the close of business on the date of the surrender of the certificates representing the Convertible Preference Shares to be converted, and the person entitled to receive the Ordinary Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Ordinary Shares on such date.
- 7.5 No fractional Ordinary Shares shall be issued upon conversion of any Convertible Preference Shares. In lieu of any fractional shares to which the Convertible Preference Shareholder would otherwise be entitled, the Issuer shall pay cash equal to such fraction multiplied by the closing price of the Ordinary Shares as quoted on the Stock Exchange on the date of conversion.
- 7.6 The Issuer shall take all such actions as may be necessary or appropriate in order to give effect to the conversion contemplated in this Clause 7, including without limitation, reserving sufficient authorised but unissued Ordinary Shares for issuance upon the conversion of the Convertible Preference Shares.

Appendix  
Form of EBITDA Calculation

<u>EBITDA</u>		
<u>Definition</u>	<u>Item</u>	<u>HKD('000)</u>
	<u>Profit for the year</u>	
<u>a</u>	<u>Income tax</u>	
<u>b</u>	<u>Finance cost</u>	
<u>c</u>	<u>Interest income from structured deposits</u>	
	<u>Interest income from financial assets estimated at fair value of investment gains and losses</u>	
<u>d</u>	<u>Depreciation of property, plant and equipment</u>	
	<u>Depreciation of right-of-use assets</u>	
<u>e</u>	<u>Impairment losses of interest in associates</u>	
	<u>Impairment losses of goodwill</u>	
	<u>Impairment losses of intangible assets</u>	
	<u>Impairment losses of trade and other receivables</u>	
<u>f</u>	<u>Profit attributable to non-controlling interests</u>	
<u>g</u>	<u>Profit generated from assets sold</u>	
<u>h</u>	<u>Revenue generated from sales of associates</u>	
	<u>Revenue generated from sales of subsidiaries</u>	
<u>i</u>	<u>Losses in the first six months after the establishment of a new postpartum care centre</u>	
<u>j</u>	<u>Non-recurring profit or loss: interest income from intra-group borrowings</u>	
	<u>Non-recurring profit or loss: penalty income</u>	
	<u>Non-recurring profit or loss: government grants</u>	
	<u>Non-recurring profit or loss: reversal of bad debt provision</u>	
	<u>EBITDA</u>	

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## NOTICE OF SPECIAL GENERAL MEETING

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### 愛帝宮母嬰健康股份有限公司 AIDIGONG MATERNAL & CHILD HEALTH LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 286)**

## NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** a special general meeting (“SGM”) of Aidigong Maternal & Child Health Limited (“Company”) will be held at Unit E, 28/F., YHC Tower, 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 30 December 2022 at 4:00 p.m. to consider and, if thought fit, pass the following resolutions nos. 1, 3 and 4 as ordinary resolutions and the following resolution no. 2 as a special resolution of the Company. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 9 December 2022 (“Circular”).

### ORDINARY RESOLUTION

1. “**THAT:**

- (a) the authorised share capital of the Company be increased from HK\$800,000,000,000 divided into 80,000,000,000 ordinary shares of HK\$0.01 each to HK\$80,800,000,000 divided into 80,000,000,000 ordinary shares of HK\$0.01 each, 400,000,000 Class A Convertible Preference Shares of HK\$0.01 each and 400,000,000 Class B Convertible Preference Shares of HK\$0.01 each by the creation of 400,000,000 new Class A Convertible Preference Shares of HK\$0.01 each and 400,000,000 new Class B Convertible Preference Shares of HK\$0.01 each; and
- (b) any one Director be and is hereby authorised to do all such acts and things and execute all such documents or agreements or deeds which he may consider necessary, desirable or appropriate in connection with and giving effect to the increase in authorised share capital of the Company under paragraph (a) of this ordinary resolution no. 1.”

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## NOTICE OF SPECIAL GENERAL MEETING

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### SPECIAL RESOLUTION

2. “**THAT**, conditional upon the passing of the ordinary resolution no. 1 set out in this notice:
  - (a) the Bye-laws be amended to reflect the amendments described in the Appendix of the Circular, and such amended Bye-laws (a copy of which marked “A” and signed by the chairman of the SGM for the purpose of identification is produced to the SGM) be adopted as the new Bye-laws in substitution for, and to the exclusion of, the existing Bye-laws; and
  - (b) any one Director be and is hereby authorised to do all such acts and things and execute all such documents or agreements or deeds as he may consider necessary, desirable or appropriate in connection with paragraph (a) of this special resolution no. 2.”

### ORDINARY RESOLUTIONS

3. “**THAT**, conditional on the passing of the special resolution no. 2 and ordinary resolution no. 1 set out in this notice:
  - (a) the Subscription under the Subscription Agreement and all transactions contemplated therein and any other agreements or documents in connection therewith be and are hereby approved, confirmed, authorised and ratified; and
  - (b) any one Director be and is hereby authorised for and on behalf of the Company do all such acts and things and execute and deliver, and (where required) to affix the common seal of the Company to, all such documents or agreements or deeds which he may consider necessary, desirable or appropriate in connection with paragraph (a) of this ordinary resolution no. 3.”
4. “**THAT**, conditional on the passing of the special resolution no. 2 and ordinary resolutions nos. 1 and 3 set out in this notice:
  - (a) the grant of a specific mandate to the Directors with the power and authority to allot and issue the Convertible Preference Shares in accordance with the terms and conditions of the Subscription Agreement and to allot and issue such relevant Conversion Shares upon the conversion of the Convertible Preference Shares in accordance with the terms and conditions of the Subscription Agreement be and are hereby approved; and

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## NOTICE OF SPECIAL GENERAL MEETING

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- (b) any one Director be and is hereby authorised to do all such acts and things and execute all such documents or agreements or deeds which he may consider necessary, desirable or appropriate in connection with paragraph (a) of this ordinary resolution no. 4.”

By order of the Board  
**Aidigong Maternal & Child Health Limited**  
**Zhu Yufei**  
*Chairman*

Hong Kong, 9 December 2022

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal Office in Hong Kong:*  
Unit E, 28th Floor, YHC Tower,  
1 Sheung Yuet Road,  
Kowloon Bay, Kowloon  
Hong Kong

*Notes:*

1. All resolutions (except for procedural and administrative matters) at the SGM will be taken by poll pursuant to the Listing Rules. The results of the poll will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.aidigong.hk](http://www.aidigong.hk)) in accordance with the Listing Rules.
2. Any Shareholder entitled to attend and vote at the SGM is entitled to appoint another person as his/her/its proxy to attend and vote on his/her/its behalf. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the above meeting. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. In case of joint registered holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of Shareholders of the in respect of the Shares.
4. In order to be valid, you are requested to complete and return the accompanying proxy form to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.

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## NOTICE OF SPECIAL GENERAL MEETING

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5. For the purpose of ascertaining shareholders' right to attend and vote at the above meeting, the register of members of the Company will be closed and the relevant details are set out below:

Latest time to lodge transfer: 4:30 p.m. on 22 December 2022 (Thursday)

Book closure: 23 December 2022 (Friday) to 30 December 2022 (Friday)

Record date: 30 December 2022 (Friday)

During the above closure period, no transfer of shares will be registered. In order to qualify for the right to attend and vote at the above meeting, all relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before the above latest time to lodge transfer.

*As at the date of this notice, the Board comprises Ms. Zhu Yufei, Mr. Cheung Wai Kuen, Mr. Lin Jiang, Mr. Li Runping and Ms. Meng Lijia as executive Directors; Mr. Guo Qifei as non-executive Director; and Ms. Yu Lin, Mr. Wong Yiu Kit, Ernest and Mr. Huang Wenhua as independent non-executive Directors.*