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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES,
REFRESHMENT OF THE SCHEME MANDATE LIMIT,
PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS
AND
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (the “**Annual General Meeting**”) to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 14th August, 2015 at 10:30 a.m. is set out on pages 41 to 46 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting 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 Annual General Meeting or any adjournment thereof should you so wish.

* For identification purpose only

Hong Kong, 16th July, 2015

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DEFINITIONS

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

“2012 Share Option Scheme”	the existing share option scheme of the Company adopted at the annual general meeting of the Company held on 17th August, 2012
“Annual General Meeting”	the annual general meeting of the Company to be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 14th August, 2015 at 10:30 a.m., the notice of which is set out on pages 41 to 46 of this circular, or any adjournment thereof
“Board”	the board of the Directors
“Bye-laws”	the bye-laws of the Company as amended, supplemented or otherwise modified from time to time
“CG Code”	the corporate governance code as set out in Appendix 14 to the Listing Rules
“close associate(s)”	shall have the meaning ascribed thereto under the Listing Rules
“Company”	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (Stock Code: 199)
“Concert Party Group”	Selective Choice, Ms. Ng and parties acting in concert with them (including ITC Corporation, Dr. Chan, PYI, Ms. Chau, Mr. Chan Fut Yan and Mr. Alan Chan)
“Controlling Shareholder”	the controlling shareholder (as defined in the Listing Rules) of the Company
“core connected person(s)”	shall have the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dr. Chan”	Dr. Chan Kwok Keung, Charles, the chairman, an executive director and the controlling shareholder of ITC Corporation. He is also the spouse of Ms. Ng and the father of Mr. Alan Chan

DEFINITIONS

“Eligible Person(s)”	(i) any employee or proposed employees (whether full time or part time) or executives, including executive director, of any member of the Group, the Controlling Shareholder, any Invested Entity and/or their respective subsidiaries; or (ii) any non-executive director (including independent non-executive directors) of any member of the Group, the Controlling Shareholder or any Invested Entity; or (iii) any consultant, adviser or agent (legal, financial or professional) engaged by any member of the Group or any Invested Entity, who, under terms of relevant engagement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company; or (iv) any vendor, supplier of goods or services or customer of or to any member of the Group or any Invested Entity, who, under the terms of relevant agreement with the Group or the relevant Invested Entity, is eligible to participate in a share option scheme of the Company
“General Mandates”	the Issue Mandate and the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which any member of the Group holds any direct or indirect equity interests, and/or any subsidiaries of such entity
“Issue Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to exercise all powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the number of issued Shares as at the date of approval of such mandate
“ITC Corporation”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 372)
“Latest Practicable Date”	13th July, 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Mr. Alan Chan”	Mr. Chan Yiu Lun, Alan, an executive director of ITC Corporation, PYI and the Company, and the son of Dr. Chan and Ms. Ng
“Ms. Chau”	Ms. Chau Mei Wah, Rosanna, the deputy chairman, the managing director and an executive director of ITC Corporation
“Ms. Ng”	Ms. Ng Yuen Lan, Macy, the spouse of Dr. Chan and the mother of Mr. Alan Chan
“Option(s)”	the share option(s) granted or to be granted under the 2012 Share Option Scheme and any other share option scheme(s) of the Company (if any)
“PYI”	PYI Corporation Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 498), which is an associated company of ITC Corporation
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors at the Annual General Meeting to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the number of issued Shares as at the date of approval of such mandate
“Scheme Mandate Limit”	the maximum aggregate number of Shares which may be issued upon the exercise of all the Options to be granted under the 2012 Share Option Scheme and any other share option scheme(s) of the Company as may from time to time be adopted by the Company, as permitted under the Listing Rules
“Selective Choice”	Selective Choice Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ITC Corporation
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the Share Capital

DEFINITIONS

“Share Capital”	the aggregate nominal amount of the share capital of the Company
“Shareholder(s)” or “Member(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	shall have the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Cheung Chi Kit
Mr. Chan Yiu Lun, Alan
Mr. Wong Lai Shun, Benny

Independent Non-executive Directors:

Hon. Shek Lai Him, Abraham, *GBS, JP* (*Vice Chairman*)
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva

Registered office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

*Principal place of business
in Hong Kong:*

Unit 3102, 31st Floor
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

16th July, 2015

To the Shareholders,

Dear Sir or Madam,

**RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES TO ISSUE SHARES AND
TO REPURCHASE SHARES,
REFRESHMENT OF THE SCHEME MANDATE LIMIT,
PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS
AND
ADOPTION OF THE NEW BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the Annual General Meeting for: (a) the re-election of the retiring Directors; (b) the granting of the General Mandates to the Directors; (c) the extension of the Issue Mandate by adding to it the aggregate number of the issued Shares repurchased by

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LETTER FROM THE BOARD

the Company under the Repurchase Mandate; (d) the refreshment of the Scheme Mandate Limit; (e) the proposed amendments to the existing Bye-laws and adoption of the new Bye-laws; and (f) the giving of notice of the Annual General Meeting.

2. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to bye-law 86(2) of the Bye-laws, Mr. Wong Lai Shun, Benny, being appointed by the Board as an additional executive Director to the existing Board on 15th December, 2014, shall hold office until the Annual General Meeting, and shall then be eligible for re-election thereat. Pursuant to bye-law 87(1) of the Bye-laws and the CG Code, Mr. Cheung Chi Kit and Mr. Alan Chan, both executive Directors, and Mr. Wong Chi Keung, Alvin, an independent non-executive Director, who has notified the Company that he wishes to retire and will not seek for re-election at the Annual General Meeting owing to other personal commitments, shall retire from office at the Annual General Meeting by rotation. Except Mr. Wong Chi Keung, Alvin, all other retiring Directors, namely Mr. Wong Lai Shun, Benny, Mr. Cheung Chi Kit and Mr. Alan Chan, being eligible, will offer themselves for re-election at the Annual General Meeting.

Brief biographical and other details of the said retiring Directors offering themselves for re-election at the Annual General Meeting, which are required to be disclosed under the Listing Rules, are set out in appendix I to this circular.

3. GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 15th August, 2014, general mandates were granted to the Directors authorising them, *inter alia*, (a) to exercise the powers of the Company to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the issued Share Capital as at 15th August, 2014; (b) to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued Share Capital as at 15th August, 2014; and (c) to extend the general mandate to issue Shares by the number of Shares repurchased under the repurchase mandate mentioned in (b) above. Such general mandates will expire at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to grant to the Directors new general mandates authorising them (a) to exercise all powers of the Company to allot, issue and deal with Shares not exceeding 20% of the number of issued Shares as at the date of the passing of such resolution; (b) to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of the passing of such resolution; and (c) subject to the passing of the ordinary resolutions to approve the General Mandates at the Annual General Meeting, to extend the Issue Mandate by adding to it the aggregate number of issued Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 799,844,845 Shares in issue. Subject to the passing of the ordinary resolutions to approve the General Mandates at the Annual General Meeting and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed to issue up to a maximum of 159,968,969 Shares under the Issue Mandate and to repurchase up to a maximum of 79,984,484 Shares under the Repurchase Mandate.

The Directors believe that it is in the interests of the Company and the Shareholders as a whole if the General Mandates are granted at the Annual General Meeting. The Issue Mandate will provide the Directors with flexibility to issue new Shares especially in the context of a fund raising exercise in a timely manner or a transaction involving an acquisition by the Group where Shares are to be issued as consideration and which has to be completed speedily.

The Directors have no present intention to exercise the Issue Mandate to allot, issue and deal with Shares and to exercise the Repurchase Mandate to repurchase Shares. Repurchase of Shares will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole. Considering the rapid changes in the market conditions, the Repurchase Mandate can provide more flexibility to the Directors to enhance the net asset value of the Company and/or its earnings per Share.

The General Mandates, if approved by the Shareholders at the Annual General Meeting, will continue until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Bermuda to be held; and
- (c) the revocation or variation of such authority by the Shareholders in general meeting of the Company.

An explanatory statement providing all the information required under the Listing Rules regarding the Repurchase Mandate is set out in appendix II to this circular.

4. REFRESHMENT OF THE SCHEME MANDATE LIMIT

The 2012 Share Option Scheme was approved and adopted by the Shareholders at the annual general meeting of the Company held on 17th August, 2012 (the “**Adoption Date**”). Pursuant to the terms of the 2012 Share Option Scheme and the Listing Rules, the Scheme Mandate Limit shall not in aggregate exceed 10% of the aggregate of the issued Shares as at the Adoption Date and may be refreshed by an ordinary resolution of the Shareholders in general meeting from time to time provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of such Shareholders’ approval of the refreshment of the Scheme Mandate Limit;

LETTER FROM THE BOARD

- (b) Options previously granted under the 2012 Share Option Scheme or any other share option scheme(s) of the Company (including Options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised Options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and
- (c) the aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2012 Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the total number of Shares in issue from time to time (the “**30% Overall Limit**”).

The current Scheme Mandate Limit under the 2012 Share Option Scheme was 68,863,275 Shares, being 10% of the total number of issued Shares as refreshed at the annual general meeting of the Company held on 15th August, 2014 (the “**Last Refreshment**”).

Since the date of the Last Refreshment and up to the Latest Practicable Date, no Options has been granted by the Company under the 2012 Share Option Scheme pursuant to the Scheme Mandate Limit as refreshed on 15th August, 2014 and a total of 135,000 Options have lapsed (due to resignation of certain employees), 9,298,000 Options have been exercised and no Options have been cancelled. As at the Latest Practicable Date, there were a total of 10,117,000 Options remained outstanding and unexercised, representing approximately 1.26% of the issued Shares as at the Latest Practicable Date.

Since the date of the Last Refreshment and up to the Latest Practicable Date, due to the issue of additional 9,298,000 Shares upon exercise of the Options granted under the 2012 Share Option Scheme and the issue of additional 69,390,742 Shares and 32,523,345 Shares by way of scrip dividend declared for the year ended 31st March, 2014 and for the six months ended 30th September, 2014 respectively, the number of the issued Shares was significantly increased from 688,632,758 Shares as at the date of the Last Refreshment to 799,844,845 Shares as at the Latest Practicable Date. The Directors consider that the refreshment of the Scheme Mandate Limit will enable the Company to grant further Options to the Eligible Persons as incentives or rewards for their contribution to the Group.

As such, it is proposed that the Scheme Mandate Limit be further refreshed to a number representing 10% of the total number of the issued Shares as at the date of approval of the refreshment of the Scheme Mandate Limit. Based on the 799,844,845 Shares in issue as at the Latest Practicable Date and assuming that, prior to the date of the Annual General Meeting, no Shares are issued or repurchased by the Company, the Scheme Mandate Limit will be refreshed to 79,984,484 Shares upon the passing of the ordinary resolution approving the said refreshment and accordingly, the Company will be allowed to grant Options entitling holders thereof to subscribe for a maximum of 79,984,484 Shares, representing 10% of the number of issued Shares as at the Latest Practicable Date.

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To the extent that there are any unutilised Options under the Scheme Mandate Limit as refreshed by the Shareholders on 15th August, 2014, all such unutilised Options will be considered as lapsed upon the approval of the refreshment of the Scheme Mandate Limit at the Annual General Meeting and the Company will not be allowed to grant any further Options pursuant thereto. No Options may be granted if it would result in the number of Shares which may be issued upon exercise of all outstanding Options under all the share option scheme(s) of the Company exceed the 30% Overall Limit from time to time.

As required by the 2012 Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to approve the refreshment of the Scheme Mandate Limit such that the total number of Shares which may be issued upon exercise of all Options to be granted under the 2012 Share Option Scheme or any other share option scheme(s) of the Company is equivalent to 10% of the total number of Shares in issue as at the date of approval of the refreshment of the Scheme Mandate Limit by the Shareholders.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution to approve the refreshment of the Scheme Mandate Limit by the Shareholders at the Annual General Meeting; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of Options granted under the Scheme Mandate Limit as refreshed.

Application will be made to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of Options granted or to be granted under the Scheme Mandate Limit as refreshed.

5. PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE NEW BYE-LAWS

In order to bring the constitution of the Company in line with certain amendments made to the Listing Rules and to incorporate certain house-keeping amendments, the Directors propose to seek approval from the Shareholders at the Annual General Meeting for the adoption of the new Bye-laws which consolidates the aforesaid proposed amendments and all the previous amendments made pursuant to resolutions passed by the Shareholders to amend the existing Bye-laws.

The proposed amendments to the existing Bye-laws are set out in appendix III to this circular. The proposed amendments to the existing Bye-laws and the adoption of the new Bye-laws are subject to the approval of the Shareholders by way of special resolution at the Annual General Meeting.

Shareholders are advised that the new Bye-laws are written in English only and there is no official Chinese translation. The Chinese translation of the new Bye-laws is provided for reference only. In case of any discrepancy or inconsistency, the English version shall prevail.

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The legal adviser of the Company as to Hong Kong laws has confirmed that the proposed amendments to the existing Bye-laws comply with the requirements of the Listing Rules and the legal adviser of the Company as to Bermuda laws has confirmed that the said amendments do not contravene or violate the applicable laws of Bermuda. In addition, the Company confirms that there is nothing unusual about the proposed amendments to the Bye-laws.

6. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages 41 to 46 of this circular at which resolutions will be proposed to approve, *inter alia*, the re-election of the retiring Directors, the granting of the General Mandates, the extension of the Issue Mandate by an amount representing the aggregate number of issued Shares repurchased under the Repurchase Mandate, the refreshment of the Scheme Mandate Limit and the proposed amendments to the existing Bye-laws and adoption of the new Bye-laws.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting 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 Annual General Meeting or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules and the Bye-laws, any vote of the Shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. The chairman of the Annual General Meeting will therefore put all resolutions to be proposed at the Annual General Meeting to be voted by way of poll. An announcement on the results of the votes by poll will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholders are required to abstain from voting on any resolutions to be approved at the Annual General Meeting pursuant to the Listing Rules and/or the Bye-laws.

7. RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors consider that the proposed re-election of the retiring Directors, the granting of the General Mandates, the extension of the Issue Mandate by adding to it the aggregate number of issued Shares repurchased under the Repurchase Mandate, the refreshment of the Scheme Mandate Limit, the proposed amendments to the existing Bye-laws and adoption of the new Bye-laws are all in the interests of the Company and the Shareholders as a whole and accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
ITC Properties Group Limited
Cheung Hon Kit
Chairman

The biographical and other details of retiring Directors standing for re-election at the Annual General Meeting are set out below:

EXECUTIVE DIRECTORS

Mr. Cheung Chi Kit (“**Mr. CK Cheung**”), aged 49, joined the Company in 2005 and was appointed as an executive Director in August 2006. He is responsible for the finance and accounting functions of the Group. Mr. CK Cheung is also a director of various subsidiaries and a member of the Corporate Governance Committee and the Investment Committee of the Company. He has over 27 years of experience in auditing, accounting and financial management. Mr. CK Cheung holds a bachelor’s degree in accounting. He is a member of The Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. Save as disclosed herein, he did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. CK Cheung was interested in 2,100,000 Shares and Options entitling him to subscribe for 750,000 Shares, which in aggregate represents approximately 0.35% of the existing issued Share Capital. Save as aforesaid, he does not have any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO). Save as disclosed herein, Mr. CK Cheung does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company as at the Latest Practicable Date.

There is no proposed length of Mr. CK Cheung’s service of directorship, but he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws. Mr. CK Cheung is entitled to receive an annual director’s fee of HK\$10,000, a basic salary of HK\$2,280,000 per annum and discretionary bonus, which will be reviewed by the Remuneration Committee of the Company with reference to the prevailing market conditions, his duties and responsibilities and time spent on the affairs of the Group as well as his performance.

Save as disclosed above, in connection with the re-election of Mr. CK Cheung as an executive Director, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Chan Yiu Lun, Alan (“**Mr. Alan Chan**”), aged 31, joined the Company as an executive Director in March 2010 and is also a director of various subsidiaries of the Company. He is also a member of the Investment Committee of the Company. He graduated from Trinity College of Arts and Sciences of Duke University, United States of America, with a bachelor of arts degree in Political Science – International Relations. Mr. Alan Chan previously worked in the investment banking division of The Goldman Sachs Group, Inc. He is an executive director of ITC Corporation and PYI, both of which are listed companies in Hong Kong. Mr. Alan Chan is also a director of Burcon NutraScience Corporation whose issued shares are listed on the Toronto Stock Exchange (TSX:BU), the Frankfurt Stock Exchange (BNE.FWB) and the NASDAQ Global Market (NASDAQ:BUR). He is also an advisor of the Bisagni Environmental Enterprise (BEE Inc.). He had previously been an alternate director to Dr. Chan, who retired as a non-executive director of PYI on 5th September 2014, from 19th July, 2010 to 4th September, 2014. Save as disclosed herein, he did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Alan Chan was interested in 2,435,913 Shares and Options entitling him to subscribe for 750,000 Shares, which in aggregate represents approximately 0.39% of the existing issued Share Capital. Save as aforesaid, he does not have any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO). Except that (i) Mr. Alan Chan is an executive director of ITC Corporation, a substantial shareholder of the Company (within the meaning of Part XV of the SFO); and (ii) he is the son of Dr. Chan (who directly holds approximately 1.42% of the existing issued Share Capital and is the controlling shareholder of ITC Corporation, which in turn indirectly holds approximately 32.61% of the existing issued Share Capital), and Ms. Ng (who indirectly holds approximately 24.01% of the existing issued Share Capital through her indirect wholly-owned subsidiary, a substantial shareholder of the Company), Mr. Alan Chan does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company as at the Latest Practicable Date.

There is no proposed length of Mr. Alan Chan’s service of directorship, but he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Alan Chan is entitled to receive an annual director’s fee of HK\$120,000, which will be reviewed by the Remuneration Committee of the Company with reference to the prevailing market conditions, his duties and responsibilities and time spent on the affairs of the Group as well as his performance.

Save as disclosed above, in connection with the re-election of Mr. Alan Chan as an executive Director, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wong Lai Shun, Benny (“**Mr. Wong**”), aged 54, joined the Company as an executive Director on 15th December, 2014 and is also a director of various subsidiaries of the Company. He is the managing director of the Group’s Rosedale hotel division and is responsible for the overall hotel development, operation and management functions of the Group. Mr. Wong is also a member of the Investment Committee of the Company. He graduated from The Chinese University of Hong Kong with a bachelor of arts degree with honours. Mr. Wong has over 22 years of management experience in the hospitality, media, construction and building management industry. He has been the head of a well-established management team with expertise and experience in the hotel field covering city and business hotel management since 2004. He had been an executive director of several listed companies prior to 2004. Save as disclosed herein, he did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Wong was interested in 115,000 Shares and Options entitling him to subscribe for 115,000 Shares, which in aggregate represents approximately 0.02% of the existing issued Share Capital. Save as aforesaid, he does not have any interests or short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO). Save as disclosed herein, Mr. Wong does not have any relationship with any Directors, senior management, substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company as at the Latest Practicable Date.

Mr. Wong has not entered into any service contract with the Company and there is no proposed length of Mr. Wong’s service of directorship, but he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Wong is entitled to receive an annual director’s fee of HK\$10,000, a basic salary of HK\$2,280,000 per annum and discretionary bonus, which will be reviewed by the Remuneration Committee of the Company with reference to the prevailing market conditions, his duties and responsibilities and time spent on the affairs of the Group as well as his performance.

Save as disclosed above, in connection with the re-election of Mr. Wong as an executive Director, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as the explanatory statement, as required by Rule 10.06 of the Listing Rules, to provide requisite information to the Shareholders with regard to the Repurchase Mandate.

1. Shareholders' Approval

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange provided that the shares proposed to be repurchased must be fully paid-up and all repurchases of shares must be approved in advanced by an ordinary resolution of the shareholders, either by way of a specific approval or a general mandate to the directors of the company to make such repurchase.

2. Share Capital

As at the Latest Practicable Date, the authorised share capital of the Company was 40,000,000,000 Shares, of which a total of 799,844,845 Shares were allotted, issued and fully paid.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate at the Annual General Meeting and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed to repurchase up to a maximum of 79,984,484 Shares, representing 10% of the number of issued Shares as at the date of the passing of such resolution, under the Repurchase Mandate.

3. Reasons for repurchases

The Directors believe that it is in the interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or the earnings per Share and will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

The repurchase of Shares shall be made out of funds legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws, the Listing Rules and the applicable laws of Bermuda. Under Bermuda law, repurchases may only be effected out of the capital paid up on the repurchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased. It is envisaged that the funds required for any repurchase of Shares pursuant to the exercise of the Repurchase Mandate would be derived from such sources.

As compared to the financial position of the Company as at 31st March, 2015 (being the date of the Company's latest published audited accounts), the Directors consider that the repurchases of securities will have no material adverse impact on the working capital and the gearing position of the Company in the event that the Repurchase Mandate were to be exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. Directors, close associates and core connected persons

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No core connected person of the Company has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise all powers of the Company to make repurchase of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Bye-laws and the applicable laws of Bermuda.

7. Share repurchase made by the Company

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. Effects of the Takeovers Code

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, so far as the Company was aware, the shareholding structure of the Company as at the Latest Practicable Date and in the event that the Repurchase Mandate is exercised in full is as follows:

	As at the Latest Practicable Date		Assuming the Repurchase Mandate is exercised in full	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Selective Choice	260,856,514	32.61	260,856,514	36.24
PYI	6,177,000	0.77	6,177,000	0.86
Dr. Chan	11,384,882	1.42	11,384,882	1.58
Ms. Ng	192,038,510	24.01	192,038,510	26.68
Ms. Chau	11,928,722	1.49	11,928,722	1.66
Mr. Chan Fut Yan	2,808,028	0.35	2,808,028	0.39
Mr. Alan Chan	<u>2,435,913</u>	<u>0.30</u>	<u>2,435,913</u>	<u>0.34</u>
<i>Concert Party Group</i>	487,629,569	60.97	487,629,569	67.74
Directors (excluding Mr. Chan Fut Yan and Mr. Alan Chan)	48,650,751	6.08	48,650,751	6.76
Other Shareholders	<u>263,564,525</u>	<u>32.95</u>	<u>183,580,041</u>	<u>25.50</u>
Total	<u>799,844,845</u>	<u>100.00</u>	<u>719,860,361</u>	<u>100.00</u>

In the event that the Repurchase Mandate is exercised in full, the aggregate shareholdings of the Concert Party Group would increase from approximately 60.97% to approximately 67.74% of the then issued Shares. Since the Concert Party Group in aggregate held more than 50% of the issued Shares as at the Latest Practicable Date, such increase may not give rise to a mandatory offer obligation under Rule 26 of the Takeovers Code. However, there may be circumstances where there are changes in the make-up of the Concert Party Group and the holdings in each party in the Concert Party Group may change from time to time. This being the case, any party in the Concert Party Group holding less than 50% of the voting rights of the Company, such as Selective Choice, may incur an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code upon further increase in the percentage of voting rights of the Company being held by any of them. The Company has no present intention to exercise the Repurchase Mandate to such an extent that an obligation to make a general offer under the Takeovers Code will be triggered. Save as aforesaid and as at the Latest Practicable Date, the Directors were not aware of any consequence which would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of any repurchase of Shares to be made under the Repurchase Mandate.

The Directors are also aware that the Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if as a result of such repurchase, less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued shares of such company would be in the hands of the public. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in the Company failing to comply with the public float requirements under Rule 8.08 of the Listing Rules.

9. Share prices

The highest and the lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
July	4.36	4.19
August	4.59	3.80
September	3.96	3.74
October	3.97	3.75
November	4.25	3.86
December	4.20	3.82
2015		
January	3.87	3.67
February	3.91	3.61
March	4.04	3.86
April	4.34	3.95
May	4.65	4.28
June	4.86	4.38
July (<i>up to and including the Latest Practicable Date</i>)	4.33	3.67

Set out below is a summary of the proposed amendments to the existing Bye-laws.

Bye-law no.	Amended Bye-law	
1	“ <u>close</u> associate”	the meaning attributed to it in the rules of the Designated Stock Exchange.
1	“Board” or “ Directors ”	the Board <u>board</u> of Directors of the Company or the <u>as constituted from time to time or (as the context may require) the majority of</u> Directors present at a meeting of Directors at which a quorum is present.
1	“ <u>Company</u> Secretary(ies)”	any person(s) firm(s) or corporation(s) appointed by the Board to perform any of the duties of <u>company</u> secretary of the Company and includes any assistant, deputy, temporary or acting secretary.
1	“ <u>Director(s)</u> ”	<u>the director(s) for the time being of the Company.</u>
1	“dollars” and or “\$”	dollars, the legal currency of Hong Kong.
1	“Member” and or “shareholder”	a duly registered holder from time to time of the shares in the capital of the Company
10	<p>Subject to the Act 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 of the <u>total number of</u> 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:</p> <p>(a) the necessary quorum (other than at an adjourned meeting) shall be two persons holding or representing by proxy not less than one-third <u>of the total number of issued shares</u> in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum; and</p> <p>(b) every holder of shares of the class shall be entitled to one vote for every such share held by him.</p>	

Bye-law no. Amended Bye-law

- 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~~ 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 are satisfied beyond reasonable doubt that the original has been destroyed.
- 22 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such ~~member~~ Member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this 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 (14) clear days after a ~~notice in writing~~ Notice, 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.

Bye-law no. Amended Bye-law

- 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 (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such ~~notice~~ Notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no ~~member~~ Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.
- 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~~ 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.
- 33 The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the 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~~ notice in writing of its intention in that behalf, unless before the expiration of such ~~Notice~~ notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.
- 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~~ 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~~ Notice is not complied with the shares on which the call was made will be liable to be forfeited.

Bye-law no. Amended Bye-law

- (2) If the requirements of any such ~~notice~~Notice are not complied with, any share in respect of which such ~~notice~~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 ~~notice~~.
- 38 A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares 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 shares, 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 shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Bye-law any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the shares 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.

Bye-law no. Amended Bye-law

- 39 A declaration by a Director or the Company 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. When any share shall have been forfeited, Notice ~~notice~~ of the declaration shall be given to the Member ~~member~~ in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register ~~register~~, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such Notice ~~notice~~ or make any such entry.
- 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 shares, and upon such further terms (if any) as it thinks fit.
- 53 Subject to Section 52 of the Act, any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may 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 either at the Registration Office or Office, as the case may be, 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 or winding up of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

Bye-law no. Amended Bye-law

- 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 Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business 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.
- 59 (1) An annual general meeting shall be called by Notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days ~~and any special general meeting at which the passing of a special resolution is to be considered shall be called by Notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days.~~ All other special general meetings ~~may~~ shall be called by Notice of not less than fourteen (14) clear days and not less than ten (10) clear business days but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter ~~Notice~~ notice if it is so agreed:
- (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 holding not less than ninety-five per cent. (95%) ~~in nominal value of the issued shares giving that right of the total voting rights of all Members having a right to attend and vote at the general meeting.~~
- (2) The period of ~~Notice~~ 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 the ~~Notice~~ notice shall specify the time and place of the meeting and, in case of special business, the general nature of the business. The ~~notice~~ Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such ~~notices~~ Notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

Bye-law no. Amended Bye-law

- 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 statement of financial position and the reports of the Directors and Auditors and other documents required to be annexed to the statement of financial position, 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 by proxy or (in the case of a ~~member~~ Member being a corporation) by its duly authorised representative shall form a quorum for all purposes.
 - (3) The Board may, at its absolute discretion, arrange for Members to attend a general meeting by simultaneous attendance and participation at meeting location(s) using electronic means anywhere in the world. Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its authorised representative at the meeting location(s) shall be counted in the quorum for, and entitled to vote at, the relevant general meeting, and such general meeting shall be duly constituted and its proceedings valid if the chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that Members attending at all the meeting location(s) are able to hear and see all persons present who speak in the meeting location(s) and are able to be heard and seen by other persons in the same way. Except in accordance with this sub-paragraph (3), a Member shall not be permitted to participate in any meeting of the Members or any class thereof by means of a conference telephone, electronic or other communications equipment.

Bye-law no. Amended Bye-law

- 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~~ 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~~ 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~~ 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.
- 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~~ 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.
- 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~~ 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.

Bye-law no. Amended Bye-law

- 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 ~~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 ~~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.
- 84(2) Where that Member ~~member~~ is a clearing house (or its nominee), it may authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. The person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without the need of producing any documents of title, notarised authorisation and/or further evidence for substantiating the facts that it is duly authorised and shall be entitled to exercise the same power on behalf of the clearing house as that clearing house (or its nominee) could exercise if it were an individual Member ~~member~~ and the clearing house (or its nominee) shall for the purposes of these Bye-laws be deemed to be present at any such meeting if a person so authorised is present thereat.

Bye-law no. Amended Bye-law

- 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 ~~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.
- 86(4) Subject to any provision to the contrary in these Bye-laws 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 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 ~~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.
- 88 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 ~~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) ~~notice(s)~~ are given, shall be at least seven (7) days and that (if the Notice ~~notice~~ are submitted after the dispatch of the Notice ~~notice~~ of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the dispatch of the Notice ~~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.

Bye-law no. Amended Bye-law

- 94 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). If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the ~~Notice~~ ~~notice~~ of his appointment provides to the contrary, be as effective as the signature of his appointor.
- 100 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. Subject as otherwise provided by these Bye-laws 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~~ 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 ~~as~~ 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 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.

Bye-law no. Amended Bye-law

- 103(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:
- (i) any contract or arrangement for the giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associates or obligations incurred or undertaken by him or any of his close associates at the request of or for the benefit of the Company or any of its subsidiaries;
 - (ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
 - (iv) any contract or arrangement in which the Director or his 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; or
 - (v) Intentionally Deleted
 - (vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his close associates and employees of the Company or of 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 accorded generally to the class of persons to which such scheme or fund relates.
- 113(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 ~~members~~ or otherwise, to obtain priority over such prior charge.

Bye-law no. Amended Bye-law

- 115 A meeting of the Board may be convened by the Company Secretary on request of a Director or by any Director. The Company 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.
- 122 A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive ~~notices~~ Notices of Board meetings in the same manner as ~~notices~~ 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. 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 or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material or for the appointment or dismissal of the Company Secretary.
- 127(1) The officers of the Company shall consist of the Directors and Company Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purpose of the Act and these Bye-laws.
- 128 (1) The Company 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 Company Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Company Secretaries.
- (2) The Company Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Act or these Bye-laws or as may be prescribed by the Board.

Bye-law no. Amended Bye-law

- 131 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 Company 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 Company Secretary.
- 134(1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal of the Company with the addition of the word “Securities Seal” on its face or in such other form as the Board may approve. 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 on its 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 Company Secretary or by two Directors or by such other person (including a Director) 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.
- 135 Any Director or the Company 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.

Bye-law no. Amended Bye-law

- 137 Subject to the Act, the Company in ~~general meeting~~ ~~General Meeting~~ may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board. The Company in general meeting may also make a distribution to the Members out of any contributed surplus (as ascertained in accordance with the Act).
- 145 Whenever the Board or the Company in general meeting ~~has~~ ~~have~~ resolved that a dividend be paid or declared, 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~~ ~~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 and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.
- 146(1) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, 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 if the Board so determines) 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;

Bye-law no. Amended Bye-law

- (ii) the Board, after determining the basis of allotment, shall give not less than two (2) weeks' Notice ~~notice in writing~~ to the holders of the relevant shares of the right of election accorded to them and shall send with such Notice ~~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 nonelected shares") and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the nonelected 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 of the relevant class for allotment and distribution to and amongst the holders of the nonelected 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 ~~notice in writing~~ to the holders of the relevant shares of the right of election accorded to them and shall send with such Notice ~~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;

Bye-law no. Amended Bye-law

- (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 of the relevant class 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 of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.
- 146(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 or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (1) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights
 - (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 of fractional entitlements accrues to the Company rather than to the ~~Members~~ ~~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.

Bye-law no. Amended Bye-law

- 148 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 ~~income statement~~ statement of profit or loss and other comprehensive income) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively 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~~ 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.
- 153 (1) Subject to Section 88 of the Act and Bye-law 153(2), a printed copy of the Directors' report, accompanied by the statement of financial position and ~~income statement~~ statement of profit or loss and other comprehensive income, including every document required by law to be annexed thereto, made up to the end of the applicable financial year, 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 of or to more than one of the joint holders of any shares or debentures.

Bye-law no. Amended Bye-law

- (2) To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of paragraph (1) of this Bye-law shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial report derived from the Company's annual ~~accounts~~ financial statements and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires and in accordance with all applicable Statutes, rules and regulations (including, without limitation, the rules of the Designated Stock Exchange), by Notice served on the Company, demand that the Company sends to him, in addition to a summary financial report, a complete printed copy of the Company's relevant financial documents.
- (3) The requirement to send to a person referred to in paragraph (1) of this Bye-law the relevant financial documents or a summary financial report in accordance with paragraph of this Bye-law shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes the relevant financial documents and, if applicable, a summary financial report, on the Company's ~~computer network~~ website or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

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 appoint an auditor to audit the ~~accounts~~ financial statements 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.

155 Subject to Section 88 of the Act the ~~accounts~~ financial statements of the Company shall be audited at least once in every year.

Bye-law no. Amended Bye-law

- 159 The ~~statement of profit or loss and other comprehensive income income statement~~ and the statement of financial position 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 of profit or loss and other comprehensive income income statement~~ and statement of financial position 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 so, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.
- 160 Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued by or on behalf of the Company under these Bye-laws to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice or document to him or which the person transmitting the Notice or document reasonably and bona fide believes at the relevant time will result in the Notice or document being duly received by the Member or, may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable Statutes, rules and regulations, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the Member a notice stating that the Notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share, all ~~Notices notices~~ shall be given to that one of the joint holders whose name stands first in the Register and ~~Notice-notice~~ so given shall be deemed a sufficient service on or delivery to all the joint holders.

Bye-law no. Amended Bye-law

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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 on the day following that on which the envelope containing the same, properly prepaid and addressed, 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 Company Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the Notice ~~notice~~ or other document was so addressed and put into the post shall be conclusive evidence thereof;
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice or document placed on the Company's website or the website of the Designated Stock Exchange is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;
- (c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission or publication; and in proving such service or delivery a certificate in writing signed by the Company 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 or publication shall be conclusive evidence thereof; and
- (d) may be given to a Member in the English language only, the Chinese language only or in both the English and Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.

Bye-law no. Amended Bye-law

- 166(1) The Directors, Company Secretary and other officers and every Auditor 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.
- 168 No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the ~~members~~ Members of the Company to communicate to the public.

NOTICE OF ANNUAL GENERAL MEETING



德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of ITC Properties Group Limited (the “**Company**”) will be held at B27, Basement, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong on Friday, 14th August, 2015 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements of the Company for the year ended 31st March, 2015 together with the report of the directors and of the auditor thereon.
2. To declare the final dividend of the Company for the year ended 31st March, 2015.
3. (A) To re-elect the following retiring directors of the Company:
 - (i) Mr. Cheung Chi Kit as executive director of the Company;
 - (ii) Mr. Chan Yiu Lun, Alan as executive director of the Company; and
 - (iii) Mr. Wong Lai Shun, Benny as executive director of the Company; and(B) To authorise the board of the directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company (the “**Directors**”) for the ensuing year.
4. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorise the Board to fix its remuneration.
5. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(A) “**THAT**

- (i) subject to sub-paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each in the share capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company, be and is hereby generally and unconditionally approved;

- (ii) the approval in sub-paragraph (i) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in sub-paragraphs (i) and (ii) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) an issue of shares of the Company under any share option scheme of the Company or similar arrangements for the time being adopted by the Company for the grant or issue of shares or rights to acquire shares of the Company; or (c) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; or (d) an issue of shares of the Company by way of any scrip dividend or similar arrangements pursuant to the bye-laws of the Company from time to time, shall not exceed 20 per cent. of the number of the shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; or
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation

NOTICE OF ANNUAL GENERAL MEETING

to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

(B) “**THAT**

- (i) subject to sub-paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the approval in sub-paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate number of shares of the Company which the Directors are authorised to repurchase pursuant to the approval in sub-paragraphs (i) and (ii) of this resolution shall not exceed 10 per cent. of the number of the shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws of Bermuda to be held; or
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**THAT** conditional upon the resolutions numbered 5(A) and 5(B) as set out in the notice convening this meeting being passed, the number of the issued shares of the Company which are repurchased by the Company under the authority granted to the Directors pursuant to and in accordance with the resolution numbered 5(B) above shall be added to the number of the shares that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued and dealt with by the Directors pursuant to and in accordance with the resolution numbered 5(A) as set out in the notice convening this meeting.”
- (D) “Subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares of the Company, representing 10 per cent. of the number of the shares of the Company in issue as at the date of the passing of this resolution, which may fall to be issued pursuant to the exercise of options granted under the Company’s share option scheme adopted on 17th August, 2012 (the “**2012 Share Option Scheme**”) and any other scheme(s) of the Company:
- (i) **THAT** approval be and is hereby granted for the refreshment of the scheme mandate limit under the 2012 Share Option Scheme and any other scheme(s) of the Company provided that the total number of shares of the Company which may be allotted and issued upon the exercise of the options granted under the 2012 Share Option Scheme and any other scheme(s) of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the 2012 Share Option Scheme and any other scheme(s) of the Company) shall not exceed 10 per cent. of the number of shares of the Company in issue as at the date of the passing of this resolution (the “**Refreshed Mandate Limit**”); and
 - (ii) **THAT** the Directors be and are hereby authorised, from time to time, to (a) grant options under the 2012 Share Option Scheme and any other scheme(s) of the Company up to the Refreshed Mandate Limit in accordance with the 2012 Share Option Scheme and the Listing Rules; (b) exercise all powers of the Company to allot, issue and deal with the shares of the Company pursuant to the exercise of such options granted under the 2012 Share Option Scheme and any other scheme(s) of the Company within the Refreshed Mandate Limit; and (c) do such acts and execute such documents for or incidental to such purpose.”
6. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** the bye-laws of the Company be amended in manner as set out in Appendix III to the circular of the Company dated 16th July 2015 and the new bye-laws of the Company which incorporated the aforesaid proposed amendments, in the form of the document produced to the meeting and marked “A” and initialed by the chairman of

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the meeting for the purpose of identification, be and is hereby approved and adopted as the new bye-laws of the Company in substitution for and to the exclusion of the existing bye-laws of the Company with effect after the conclusion of the meeting and **THAT** the Board be and is hereby authorised to do all acts and things and to sign, execute and deliver all documents as it may deem necessary, appropriate or expedient to give effect to or otherwise in connection with the proposed amendments and the adoption of the new bye-laws of the Company.”

By order of the Board
ITC Properties Group Limited
Chan Siu Mei
Company Secretary

Hong Kong, 16th July, 2015

Registered office:
Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Unit 3102, 31st Floor
Bank of America Tower
12 Harcourt Road
Central
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting may appoint another person as his proxy to attend and vote instead of him. A shareholder of the Company who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either a shareholder of the Company who is an individual or a shareholder of the Company which is a corporation shall be entitled to exercise the same power on behalf of the shareholder of the Company which he or they represent(s) as such shareholder of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or 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 facts.
3. 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 the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof at which the person named in the instrument proposes to vote and, in default, the instrument of proxy shall not be treated as valid.
4. Completion and return of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting or any adjournment thereof or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.

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5. Where there are joint holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of the Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the 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 of members of the Company in respect of the joint holding.
6. The register of the members of the Company will be closed from Tuesday, 25th August, 2015 to Wednesday, 26th August, 2015, both dates inclusive, during which period no transfer of the Shares will be effected. In order to be entitled for the proposed final dividend, all transfers of the Shares accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Monday, 24th August, 2015.

As at the date of this notice, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Mr. Chan Fut Yan (*Managing Director*)
Mr. Cheung Chi Kit
Mr. Chan Yiu Lun, Alan
Mr. Wong Lai Shun, Benny

Independent Non-executive Directors:

Hon. Shek Lai Him, Abraham, *GBS, JP* (*Vice Chairman*)
Mr. Wong Chi Keung, Alvin
Mr. Kwok Ka Lap, Alva