

**LAI FUNG HOLDINGS LIMITED**

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

**PROCEDURES FOR SHAREHOLDERS TO  
PROPOSE A PERSON FOR ELECTION AS A DIRECTOR OF THE COMPANY**

The Company has only one class of issued shares of HK\$5.00 each. Holders thereof (the “Shareholders”) have rights to, amongst others, propose a person for election as a director of the Company (the “Director”).

Set out below for the Shareholders’ information are the relevant procedures which are adapted from the Articles of Association of the Company, as amended from time to time, the Companies Act of the Cayman Islands and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”):

**A. By means of request for convening an extraordinary general meeting (“EGM”)**

Any one or more registered Shareholder(s) holding not less than one-tenth (1/10) of voting rights, on a one vote per share basis, in the share capital of the Company (the “Requisitionist(s)”) can deposit a written request to convene an EGM (the “Requisitionist’s Request”) at the Company’s principal place of business in Hong Kong (the “Principal Office”), which is presently situated at 11/F., Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong for the attention of the Company Secretary.

The Requisitionist’s Request must state the objects of the EGM and must be signed by the Requisitionist(s), and may consist of several documents in like form, each signed by the Requisitionist(s). If the Requisitionist(s) wishes/wish to propose a person other than a current Director (the “Proposed Person”) for election as a Director at the EGM, the Requisitionist’s Request must (a) state the Proposed Person’s full name; (b) be counter-signed by the Proposed Person to indicate his/her willingness to be elected; and (c) include the Proposed Person’s biographical details as required under Rule 13.51(2) of the Listing Rules with supporting documents and/or certificates.

The Company’s branch share registrar in Hong Kong (the “Share Registrar”) will verify the particulars of the Requisitionist(s) in the Requisitionist’s Request. Promptly after confirmation from the Share Registrar that the Requisitionist’s Request is in order, the Company Secretary will arrange with the board of Directors (the “Board”) to convene an EGM by serving sufficient notice to all the registered Shareholders in accordance with all the relevant statutory and regulatory requirements. On the contrary, if upon verification the Requisitionist’s Request is not in order, the Requisitionist(s) will be advised of this outcome and accordingly, an EGM will not be convened as requested.

The Requisitionist(s) himself (themselves) or any of them representing more than one-half of the total voting rights of all of them, may convene an EGM if within twenty-one (21) days of the deposit of the Requisitionist’s Request, the Board does not proceed duly to convene an EGM *provided that* any EGM so convened is held within three (3) months from the date of the original Requisitionist’s Request. All reasonable expenses incurred by the Requisitionist(s) by reason of the Board’s failure to duly convene an EGM shall be reimbursed to the Requisitionist(s) by the Company.

**B. By means of serving a notice in writing to the Company in case of any general meeting convened by the Board**

Registered Shareholders may deliver to the Principal Office which is presently situated at 11/F., Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong a written notice of the intention to propose a person (other than (i) a current Director, (ii) a retiring Director or (iii) such Shareholder who delivers the notice) (“**Another Proposed Person**”), for election as a Director at a general meeting (the “**Shareholders’ Request**”). This must be accompanied by a written notice signed by Another Proposed Person indicating his/her willingness to be elected (collectively, the “**Nomination Notices**”). The period for lodgement of the Nomination Notices shall commence no earlier than the day after the despatch by the Company of the notice of the general meeting and end no later than seven (7) days prior to the date of such general meeting. The period for lodgement shall be at least seven (7) days. The Shareholders’ Request must include Another Proposed Person’s full name and biographical details as required under Rule 13.51(2) of the Listing Rules with supporting documents and/or certificates.

The Share Registrar will verify the particulars in the Shareholders’ Request. Promptly after confirmation from the Share Registrar that such particulars are in order, the Company Secretary will arrange with the Board to include the resolution regarding the election of Another Proposed Person as a Director in the agenda of the relevant general meeting. Further, a supplemental circular, notice of the meeting and form of proxy, where applicable, will be despatched to all the registered Shareholders for information and consideration. On the contrary, if upon verification the Shareholders’ Request is not in order, the Shareholders concerned will be advised of this outcome and no further action will be taken by the Company in this regard.

However, the Company may seek professional advice on (a) the validity of the documents and/or certificates concerning the Proposed Person and/or Another Proposed Person and (b) the suitability of the Proposed Person and Another Proposed Person for election as a Director. Any fees and expenses incurred by the Company in connection with the aforesaid election may be charged to the Shareholders who make such proposal.