



粵海制革有限公司

GUANGDONG TANNERY LIMITED

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 1058)

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## PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

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There are formal, considered and transparent procedures for nominating candidates to stand for election as Directors of the Company. In accordance with its terms of reference, the Nomination Committee shall identify and select qualified individuals to become Directors of the Company for the Board's consideration.

The following nomination procedures are subject to the Company's Articles of Association, the Companies Ordinance (Chapter 622) and applicable legislation and regulation<sup>(Notes)</sup>:

1. Shareholders who wish to propose a person as a Director for consideration by the Board or at the general meeting may do so by submitting a written recommendation to the Company Secretary of the Company at the registered office of the Company for the time being, comprising the following documents:
  - a. A notice of intention to nominate an individual as a Director, duly signed and dated by the proposing shareholder(s) (the "Proposing Shareholder(s)"); and
  - b. A notice duly signed by the nominated candidate indicating his/her willingness to be elected as a Director together with (i) the biographical details of the nominated candidate as required to be disclosed under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"); and (ii) the written consent of the nominated candidate for the publication of his/her personal data by the Company.
2. The Proposing Shareholder(s) shall have to validly serve the above written recommendation on the Company Secretary during the period commencing on (and include) the day after the despatch of the notice of the general meeting appointed for such election and ending on (and exclude) the date that is seven (7) days before the date appointed for the general meeting.

**Guangdong Tannery Limited**

**Procedures for shareholders to propose a person for election as a Director**

3. To enable shareholders to make an informed decision on the election of Directors at the general meeting, the Company shall, prior to the general meeting, publish an announcement or issue a supplementary circular disclosing the biographical details of the nominated candidate pursuant to Rule 13.51(2) of the Listing Rules.

*Notes:*

1. Pursuant to the Articles of Association of the Company, no person other than a retiring Director shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his consent to be elected shall have been lodged at the registered office of the Company. The period for lodgement of such notices shall commence on (and include) the day after the despatch of the notice of the meeting appointed for such election and end on (and exclude) the date that is seven (7) days before the date appointed for the meeting.
2. Pursuant to the new Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "New CO"), shareholders of a company holding not less than 5% of the total voting rights of all the members having a right to vote at general meetings may request its directors to call a general meeting. The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request may be sent to the company in hard copy form or in electronic form; and must be authenticated by the person or persons making it. Directors of the company must call a meeting within 21 days after the date on which they become subject to the requirement. The meeting being called must be held on a date not more than 28 days after the date of the notice convening the meeting. If the directors fail to call the meeting, the shareholders who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting. The meeting must be called for a date not more than 3 months after the date on which the directors become subject to the requirement to call a meeting.
3. The New CO also provides that shareholders of a company may propose a resolution as a written resolution. A member of the Company who proposes the resolution may request the Company to circulate with the resolution a statement of not more than 1,000 words on the subject matter of the resolution. Once a written resolution is proposed, the company has a duty to circulate the resolution to every shareholder for agreement if it has received requests from shareholders representing not less than 5% of the total voting rights or a lower percentage specified in the articles of association of the company. The circulation may be effected by sending the copies in hard copy form or electronic form or by making the copies available on a website. The period for agreeing to the proposed written resolution is 28 days or such period as specified in the articles of association of the company. Shareholders may signify their agreement to a proposed written resolution and send it back to the company either in hard copy form or electronic form. If a resolution is passed as a written resolution, the company must send a notice of that fact to every member and the auditor of the company within 15 days.

*Adopted by the Board on 13 March 2012*

*Amended by the Board on 26 March 2014*