



翔宇疏浚控股有限公司
Xiangyu Dredging Holdings Limited

XIANGYU DREDGING HOLDINGS LIMITED

翔宇疏浚控股有限公司
(the “Company”)

**Procedures for shareholders of the Company
to propose a person for election
as a director of the Company**

1. Provisions in the articles of association of the Company

1.1 The provisions

The provisions for a shareholder of the Company (the “**Shareholder**”) to propose a person for election as a director of the Company (the “**Director**”) are set out in articles 108 and 110 of the articles of association of the Company (the “**Articles**”), extracts of which are as follows:

Article 108:

“Subject to the **Statutes** and the provisions of **these Articles**, the **Company** may from time to time in general meeting by **Ordinary Resolution** elect any person to be a **Director** either to fill a casual vacancy or as an additional Director. “

Article 110:

“No person, other than a retiring Director, shall, unless recommended by the Directors 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 willingness to be elected shall have been lodged at the **Head Office** or at the **Registration Office** at least seven (7) clear days before the date of the general meeting and the period for lodgement of such notices shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and shall be at least seven (7) clear days in length.”

1.2 Terms in paragraph 1.1 shall have the following meanings:

“these Articles” or “these presents” shall mean these Articles of Association in their present form and all supplementary, amended or substituted Articles for the time being in force;



翔宇疏浚控股有限公司
Xiangyu Dredging Holdings Limited

“the Companies Law” shall mean The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended from time to time;

“the Company” or “this Company” shall mean Xiangyu Dredging Holdings Limited 翔宇疏浚控股有限公司 incorporated in the Cayman Islands on 31 May, 2010;

“Director” shall mean a director of the Company and includes an alternate in his capacity as a director of the Company;

“Head Office” shall mean such office of the Company as the Directors may from time to time determine to be the principal office of the Company;

“Notice” written notice unless otherwise specifically stated and as further defined in these Articles;

“Registration Office” shall mean in respect of any class of share capital, such place or places in the **Relevant Territory** or elsewhere where the Directors from time to time determine to keep a branch register of shareholders of the Company in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers of other documents of title for such class of share capital are to be lodged for registration and are to be registered;

“Relevant Territory” shall mean Hong Kong or such other territory as the Directors may from time to time decide if the issued ordinary share capital of the Company is listed on a stock exchange in such territory;

“Statutes” shall mean the **Companies Law** and every other act, order regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or these presents;

2. Requirements under the Rules Governing the Listing of securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”)

- 2.1 If the notice from a Shareholder to propose a person for election as a Director at the general meeting where such notice is received by the Company before publication of the notice of general meeting, the Company shall disclose in the circular details required under Rule 13.51(2) of the Listing Rules of such person proposed to be elected as a Director pursuant to Rule 13.74 of the Listing Rules.



翔宇疏浚控股有限公司
Xiangyu Dredging Holdings Limited

2.2 If the notice from a Shareholder to propose a person for election as a Director at the general meeting where such notice is received by the Company after publication of the notice of general meeting, pursuant to Rules 13.70 and 13.74 of the Listing Rules, the Company shall:

- publish an announcement or issue a supplementary circular upon receipt of such notice;
- include in the announcement or supplementary circular the particulars of such person proposed to be elected as a Director required under Rule 13.51(2) of the Listing Rules; and
- assess whether or not it is necessary to adjourn the meeting of the election to give Shareholders at least 10 business days (as defined in the Listing Rules) to consider the relevant information disclosed in the announcement or supplementary circular.

3. Procedures for Shareholders to propose a person for election as a Director

3.1 If a Shareholder wishes to propose a person (the “**Candidate**”) for election as a Director at a general meeting, he/she shall deposit (i) a written notice (“**Proposal Notice**”) of the proposal to propose a Candidate for election as a Director; and (ii) a written notice (“**Consent Notice**”) signed by the Candidate of his/her willingness to be elected pursuant to Article 110 at either the following address by registered mail in the period as set out in paragraph 3.3 below.

Company’s HK head office:

*Office 19, 36th Floor,
China Merchants Tower,
Shun Tak Centre,
200 Connaught Road Central,
Sheung Wan, Hong Kong*

Company’s HK branch share registrar:

*Tricor Investor Services Limited
26th Floor
Tesbury Centre
28 Queen’s Road East
Wanchai, Hong Kong*

Please made the mail attention to:

Xiangyu Dredging Holdings Limited –
The board of directors and company secretary

and indicate the following wordings on the face of the envelope:

“Proposal for a person for election as a Director”



3.2 The Proposal Notice and Consent Notice must include the information of nominating Shareholder and of the Candidate as required by Rule 13.51(2) of the Listing Rules, including but not limited to the followings:

As to the nominating Shareholder

- (a) The name of the nominating Shareholder, and the address(es) and phone number(s) at which the nominating Shareholder can be contacted;
- (b) evidence of shareholding of the nominating Shareholder; and
- (c) original of nomination letter signed by the nominating Shareholder.

As to the Candidate

- (a) The Candidate's full name, age, together with address(es) and phone number(s) where the Candidate can be contacted (proof the above may be requested, if necessary);
- (b) a statement of the Candidate's qualifications and experiences, and any other qualities that the nominating Shareholder believes that the Candidate would bring to the Board;
- (c) the Candidate's resume, which must include at a minimum a detailed description of the Candidate's business, professional or other appropriate experience, education background, professional qualification, a statement of whether he had convicted criminal offence(s) in the past, a list of other boards of directors of public companies (if any) on which the Candidate currently serves or on which he or she served in the last three (3) years and other details of the Candidates as required under rule 13.52(2) of the Listing Rules
- (d) an original written statement, signed by the Candidate, agreeing that he or she (i) may serve as Director if he or she is elected by Shareholders and (ii) consent to publish his/her personal information.

The nominating Shareholder may also include any additional information that the Shareholder believes is relevant to the Shareholders' consideration of the Candidate. If a Shareholder proposes a Candidate without submitting all of the foregoing items, the Company may, in its discretion, reject the proposed Candidate, request more information from the nominating Shareholder, or consider the proposed Candidate while reserving the right to request more information. Both the Proposal Notice and the Consent Notice must be signed by the nominating Shareholder.



翔宇疏浚控股有限公司
Xiangyu Dredging Holdings Limited

3.3 The period for lodgment of the above notices shall commence on the day after the dispatch of the notice of general meeting and end no later than seven (7) clear days prior to the date of such general meeting. In any event, the minimum length of the period during which any Proposal Notice and the Consent Notice to be given shall be at least seven (7) clear days in length.

3.4 In order to allow the Shareholders sufficient time to receive and consider the proposal of election of the Candidate as a Director of the Company, Shareholders are encouraged to submit and lodge the Proposal Notice and the Consent Notice as early as practicable.

March 2012