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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in Red Star Macalline Group Corporation Ltd., you should at once hand this circular together with the proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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### Red Star Macalline Group Corporation Ltd.

### 紅星美凱龍家居集團股份有限公司

*(A sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1528)**

## PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS AND NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING

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A letter from the Board is set out on pages 3 to 7 of this circular. A notice of the EGM of the Company to be held at 10:00 a.m. on Tuesday, 29 March 2022 at Conference Center, 3/F, South Building, Block B, Red Star Macalline Headquarters, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC, is being despatched to the Shareholders together with this circular.

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the proxy form in accordance with the instructions printed thereon. The proxy form must be signed by you or your attorney duly authorised in writing or, in case of a legal person, must either be executed under its seal or under the hand of its director or other attorney duly authorised to sign the same. If the proxy form is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other document of authorisation, must be notarized.

In the case of joint holders of Shares of the Company, only the holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the EGM, either in person or by proxy in respect of such Shares.

For H Share Shareholders, please return the proxy form together with any documents of authority to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM. For A Share Shareholders, please return the proxy form together with any documents of authority to the headquarters of the Company in the PRC at B1 Corporate Post Office, Block A, Red Star Macalline Headquarters, No. 5, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

10 March 2022

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## DEFINITIONS

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

“A Share(s)”	the ordinary share(s) issued by the Company, with a nominal value of RMB1.0 each, listed on the Shanghai Stock Exchange and traded in RMB
“A Share Shareholder(s)”	the holder(s) of the A Share(s)
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	Red Star Macalline Group Corporation Ltd. (紅星美凱龍家居集團股份有限公司), a sino-foreign joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 1528)
“Director(s)”	the director(s) of the Company
“EGM”	the 2022 first extraordinary general meeting to be convened and held on 29 March 2022
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign invested ordinary share(s) with a nominal value of RMB1.0 each in the share capital of the Company, which is/are listed on The Stock Exchange of Hong Kong Limited and traded in Hong Kong dollars
“H Share Shareholder(s)”	the holder(s) of H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

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## DEFINITIONS

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“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	the A Share Shareholder(s) and the H Share Shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

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## LETTER FROM THE BOARD

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### Red Star Macalline Group Corporation Ltd. 紅星美凱龍家居集團股份有限公司

(A sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 1528)

*Executive Directors:*

Mr. CHE Jianxing  
Mr. GUO Binghe  
Ms. CHE Jianfang  
Mr. JIANG Xiaozhong

*Non-executive Directors:*

Ms. CHEN Shuhong  
Mr. CHEN Zhaohui  
Mr. JIANG Xiangyu

*Independent non-executive Directors:*

Mr. QIAN Shizheng  
Mr. LEE Kwan Hung, Eddie  
Mr. WANG Xiao  
Ms. ZHAO Chongyi  
Ms. QIN Hong

*Registered office in the PRC:*

Suite F801, 6/F  
No. 518, Linyu Road  
Pudong New District  
Shanghai  
PRC

*Principal place of business  
in Hong Kong:*

31/F, Tower 2  
Times Square  
1 Matheson Street  
Causeway Bay, Hong Kong

10 March 2022

*To the Shareholders*

Dear Sir or Madam,

### PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS AND NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING

#### I. INTRODUCTION

Reference is made to the announcements of the Company dated 15 February 2022 and 10 March 2022 in relation to the proposed appointment of Ms. Hu Xiao (胡曉, “**Ms. Hu**”) and Mr. Yang Guang (楊光, “**Mr. Yang**”) as non-executive Directors, respectively. At the Board meetings held on 15 February 2022 and 10 March 2022, the following resolutions have been

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## LETTER FROM THE BOARD

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passed by the Board: (1) the appointment of Ms. Hu as a non-executive Director and a member of strategy and investment committee of the Board upon her appointment as a non-executive Director; and (2) the appointment of Mr. Yang as a non-executive Director, respectively.

The above two resolutions are subject to the approval of the Shareholders at the EGM by way of ordinary resolutions under a cumulative voting system.

The purpose of this circular is to provide you with, among other things, the notices of the EGM and the information of the above two resolutions to be proposed for consideration at the EGM, in order to enable you to make informed decision on whether to vote for or against the resolutions at the EGM.

### II. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS

Reference is made to the announcement of the Company dated 15 February 2022 in relation to the proposed appointment of a non-executive Director. As recommended by Taobao China Holding Limited, a Shareholder, and reviewed and nominated by the nomination committee of the Company, the relevant resolution has been passed by the Board to propose the appointment of Ms. Hu as a non-executive Director and a member of strategy and investment committee of the Board upon her appointment as a non-executive Director.

The biographical details of Ms. Hu are set out as follows:

**Ms. Hu**, aged 42, with Chinese (Hong Kong) nationality, serves as a director and managing director of the strategic investment department of Alibaba Group Holding Ltd. (阿里巴巴集團控股有限公司) (a company listed on the New York Stock Exchange under the stock code of BABA, and on the Stock Exchange under the stock code of 9988) consecutively since March 2017. Ms. Hu served as an accountant of KPMG Huazhen LLP (畢馬威華振會計師事務所) from September 2002 to July 2003, a research assistant of the stock research department of China International Capital Corporation Limited (中國國際金融股份有限公司) (a company listed on Shanghai Stock Exchange under the stock code of 601995, and on the Stock Exchange under the stock code of 3908) from July 2003 to July 2006, an associate and vice president of Citigroup Global Markets Asia Limited consecutively from July 2008 to July 2012, a vice president and director of Merrill Lynch (Asia Pacific) Limited consecutively from July 2012 to March 2017. She has served as a non-executive director of Huatai Securities Co., Ltd. (華泰證券股份有限公司) (a company listed on Shanghai Stock Exchange under the stock code of 601688, and on the Stock Exchange under the stock code of 6886) since October 2018 and a non-independent director of YTO Express Group Co., Ltd. (圓通速遞股份有限公司) (a company listed on Shanghai Stock Exchange under the stock code of 600233) since February 2021. Ms. Hu graduated from The Hong Kong University of Science and Technology with a master degree in business administration in April 2008.

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## LETTER FROM THE BOARD

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Reference is also made to the announcement of the Company dated 10 March 2022 in relation to the change of a non-executive Director. As recommended by Taobao China Holding Limited, a Shareholder, and reviewed and nominated by the nomination committee of the Company, the relevant resolution has been passed by the Board to propose the appointment of Mr. Yang as a non-executive Director.

The biographical details of Mr. Yang are set out as follows:

**Mr. Yang**, aged 45, joined Alibaba Group Holding Ltd. (阿里巴巴集團控股有限公司) (a company listed on the New York Stock Exchange under the stock code of BABA, and on the Stock Exchange under the stock code of 9988, the “**Alibaba Group**”) in September 2007, and currently serves as the president of Tmall industry development and operation centre of Alibaba Group, being responsible for the operation of Tmall and Taobao. Before his current position in Alibaba Group, Mr. Yang led the operation team of consumer electronics product in Taobao.com and served as vice president of Tmall Business Segment. Mr. Yang was also one of the core members of the team responsible for the establishment of Tmall.com and Taobao Travel. From 2012 to 2015, Mr. Yang was responsible for Taobao.com’s innovative business. Mr. Yang previously served as a non-executive director of Haier Electronics Group Co., Ltd., and a director of Suning.com Co., Ltd. (蘇寧易購集團股份有限公司, a company listed on the Shenzhen Stock Exchange under the stock code of 002024). Mr. Yang has also served as a non-executive director of AGTech Holdings Limited (亞博科技控股有限公司, a company listed on the Stock Exchange under the stock code of 8279) since August 2016.

Mr. Yang graduated from Jilin University (吉林大學), China, majoring in biological pharmacy in June 1999.

Each of Ms. Hu and Mr. Yang will enter into a service contract with the Company upon their appointments being approved by the Shareholders at the EGM. The term of their appointments will be from the date of approval of the appointment at the EGM to the end of the term of the fourth session of the Board of the Company. The term of Ms. Hu’s appointment as a member of the strategy and investment committee of the Board will be the same as that of the other members of the strategy and investment committee of the Board. According to the Articles of Association of the Company, Ms. Hu and Mr. Yang may seek re-election after the expiration of the term of their appointments. If either Ms. Hu or Mr. Yang or the Company provides the other party with not less than one month’s written notice, or either Ms. Hu or Mr. Yang is not re-appointed after the expiration of the term of his/her appointment, the service contract will be terminated. Ms. Hu and Mr. Yang will not receive any remuneration during their tenure as non-executive Directors.

Save as disclosed above, each of Ms. Hu and Mr. Yang does not hold any other positions in the Company or its subsidiaries, has not held any directorships in any other public companies within three years prior to the date of their appointment, of which the securities are listed on any securities market in Hong Kong or overseas, and does not have other major appointments and professional qualifications.

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## LETTER FROM THE BOARD

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To the best knowledge of the Company, Ms. Hu and Mr. Yang do not have any relationship with any other Director, senior management, substantial shareholders or controlling shareholders of the Company, and do not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and have not been subject to any disciplinary action by the China Securities Regulatory Commission or any other relevant authorities or the Stock Exchange.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters relating to Ms Hu's and Mr. Yang's appointments that need to be brought to the attention of the Shareholders.

The aforementioned resolutions are hereby submitted to the Shareholders for consideration.

### **III. THE 2022 FIRST EXTRAORDINARY GENERAL MEETING**

The notice of the EGM to be held at 10:00 a.m. on Tuesday, 29 March 2022 at Conference Center, 3/F, South Building, Block B, Red Star Macalline Headquarters, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC, is set out on pages 11 to 12 of this circular.

The proxy form for the EGM is also enclosed herein and published on the website of the Stock Exchange ([www.hkexnews.com.hk](http://www.hkexnews.com.hk)). The Shareholders who intend to appoint (a) proxy/proxies to attend the EGM shall complete, sign and return the proxy form in accordance with the instructions printed thereon.

For H Share Shareholders, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the EGM in order for such documents to be valid. For A Share Shareholders, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the headquarters of the Company in the PRC at B1 Corporate Post Office, Block A, Red Star Macalline Headquarters, No. 5, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC, not less than 24 hours before the time for holding the EGM in order for such documents to be valid.

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## LETTER FROM THE BOARD

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Pursuant to the Articles of Association, for the purpose of holding the EGM, the register of members of H Shares will be closed from Thursday, 24 March 2022 to Tuesday, 29 March 2022 (both days inclusive), during this period no transfer of H Shares will be registered. H Share Shareholders whose names appear on the register of members of the Company on Thursday, 24 March 2022 are entitled to attend and vote at the EGM.

In order to attend the EGM, H Share Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 23 March 2022 for registration.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolutions proposed at the EGM will be voted by poll.

#### **IV. RECOMMENDATION**

The Directors consider that all the resolutions as set out in the notices of the EGM for the Shareholders to consider and approve are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the EGM.

By order of the Board  
**Red Star Macalline Group Corporation Ltd.**  
**QIU Zhe**  
*Secretary of the Board and Joint Company Secretary*

**ILLUSTRATION ON THE ADOPTION OF CUMULATIVE VOTING SYSTEM IN THE  
ELECTION OF DIRECTORS, INDEPENDENT DIRECTORS AND SUPERVISORS**

1. The election of directors, the election of independent directors and the election of supervisors from respective candidates at the general meeting will be respectively numbered as separate groups of resolutions. Investors shall vote on each candidate under each group of resolutions.
2. The number of shares declared shall represent the votes to be cast for the elections. For each group of resolutions, the total number of votes to which a shareholder is entitled for each share held by himself/herself shall be equal to the number of directors or supervisors to be elected under that particular group of resolutions. If a shareholder holds 100 shares of a listed company, and there are 10 directors to be elected at the general meeting with 12 candidates taking part in the election of directors, such shareholder shall be entitled to a total number of 1,000 votes in respect of that particular group of resolutions on the election of the members of the Board.
3. Voting of shareholders shall be confined to the number of votes to which he/she/it is entitled in respect of each group of resolutions. Shareholders may cast their votes at their own discretion by casting his/her/its votes on one candidate or on different candidates in any combination. Upon completion of the voting, the votes will be counted cumulatively in respect of each of the resolutions.

## 4. Illustration:

A listed company convenes a general meeting for the election of members of the Board and Supervisory Committee by way of cumulative voting system, and there are six candidates to be elected for five positions as directors, three candidates for two positions as independent directors, and three candidates for two positions as supervisors. The matters required to be voted by poll are as follows:

<b>Resolutions effected by cumulative voting</b>		
4.00	Resolution on the election of directors	Number of votes
4.01	e.g. CHEN xx	
4.02	e.g. ZHAO xx	
4.03	e.g. JIANG xx	
.....	.....	
4.06	e.g. SONG xx	
5.00	Resolution on the election of independent directors	Number of votes
5.01	e.g. ZHANG xx	
5.02	e.g. WANG xx	
5.03	e.g. YANG xx	
6.00	Resolution on the election of supervisors	Number of votes
6.01	e.g. LI xx	
6.02	e.g. CHEN xx	
6.03	e.g. HUANG xx	

If an investor holds 100 shares in the company upon close of trading on the equity registration date, under cumulative voting system, such investor will be entitled to 500 votes for resolution 4.00 titled “Resolution on the election of directors”, 200 votes for resolution 5.00 titled “Resolution on the election of independent directors” and 200 votes for resolution 6.00 titled “Resolution on the election of supervisors”.

Such investor may vote on the resolution 4.00 at his/her/its own discretion within the limit of 500 votes. Such investor may concentrate those 500 votes on one candidate, or vote for different candidates dispersedly with any combination of the votes.

As shown in the table below:

No.	Name of Resolution	Number of votes			
		Method 1	Method 2	Method 3	Method...
4.00	Resolution on the election of directors	–	–	–	–
4.01	e.g. CHEN xx	500	100	100	
4.02	e.g. ZHAO xx	0	100	50	
4.03	e.g. JIANG xx	0	100	200	
.....	.....	.....	.....	.....	
4.06	e.g. SONG xx	0	100	50	

5. Under the cumulative voting system, “Against” and “Abstain” votes will be considered invalid.

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## NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING

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### **Red Star Macalline Group Corporation Ltd.** **紅星美凱龍家居集團股份有限公司**

*(A sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1528)**

#### **NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2022 first extraordinary general meeting (the “**EGM**”) of Red Star Macalline Group Corporation Ltd. (the “**Company**”) will be held at 10:00 a.m. on Tuesday, 29 March 2022 at Conference Center, 3/F, South Building, Block B, Red Star Macalline Headquarters, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC for the purpose of considering, and if thought fit, passing the following resolutions:

#### **ORDINARY RESOLUTIONS EFFECTED BY CUMULATIVE VOTING SYSTEM**

1. To consider and approve the appointment of Ms. Hu Xiao as a non-executive director of the fourth session of the board of directors of the Company.
2. To consider and approve the appointment of Mr. Yang Guang as a non-executive director of the fourth session of the board of directors of the Company.

By order of the Board

**Red Star Macalline Group Corporation Ltd.**

**QIU Zhe**

*Secretary of the Board and Joint Company Secretary*

Hong Kong  
10 March 2022

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## NOTICE OF THE 2022 FIRST EXTRAORDINARY GENERAL MEETING

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*Notes:*

1. Unless the context otherwise stated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 10 March 2022.
2. For the purpose of holding the EGM, the register of members of the Company will be closed from Thursday, 24 March 2022 to Tuesday, 29 March 2022 (both days inclusive), during which period no transfer of shares can be registered. In order for H Share Shareholders to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 23 March 2022 for registration.

The Shareholders whose names appear on the register of members of the Company on Thursday, 24 March 2022 are entitled to attend and vote at the EGM.

3. The Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not to be a Shareholder of the Company.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorized in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorized to sign the same on its behalf.
5. In order to be valid, the proxy form must be deposited, for H Share Shareholders of the Company, to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the EGM. If the proxy form is signed by a person under the power of attorney or other authority, a notarized copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders of the Company from attending the voting in person at the EGM or any adjourned meetings should they so wish.
6. Shareholders shall produce their identification documents and supporting documents in respect of the shares of the Company held when attending the EGM. If corporate Shareholders appoint authorized representative to attend the EGM, the authorized representative shall produce his/her identification documents and a notarized copy of the relevant authorization instrument signed by the board of directors or other authorized parties of the corporate Shareholders or other notarized documents allowed by the Company. Proxies shall produce their identification documents and the proxy form signed by the Shareholders or their attorney when attending the EGM.
7. The EGM is expected to take for less than half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.
8. All voting at the EGM will be conducted by poll.
9. Regarding ordinary resolutions, a cumulative voting system will be adopted. "Cumulative voting system" refers to a system where each of the shares held by a shareholder shall carry the same number of voting rights as the number of director candidates; when the Board or a qualified shareholder separately proposes the director candidates, the number of voting rights carried by each share shall be calculated as per the number of non-repetitive director candidates. In casting his/her/its votes for the director candidates, a shareholder may exercise his/her/its voting rights by allocating his/her/its voting rights evenly and cast for each director candidate the same number of voting rights as the shares he/she/it holds; or he/she/it may focus on one particular director candidate and cast for that candidate all the voting rights represented by all of his/her/its shares multiplied by the number of director candidates; or he/she/it may allocate his/her/its voting rights over several director candidates and cast for each of them part of the voting rights represented by all of his/her/its shares multiplied by the number of director candidates.

Upon the exercise of his/her/its voting rights by focusing all the voting rights represented by all of his/her/its shares multiplied by the number of director candidates on one or several of the director candidates, a shareholder shall not have any right to vote for any other director candidates. If the total number of voting rights centrally exercised by a shareholder on one or several of the director candidates exceeds the number of voting rights represented by all the shares held by him/her/it, the voting by such shareholder shall be invalid and the shareholder shall be deemed to have abstained from voting; if the total number of voting rights centrally exercised by a shareholder on one or several of the director candidates is less than the number of voting rights represented by all the shares held by him/her/it, the voting by such shareholder shall be valid and the remaining voting rights held by such shareholder shall be deemed to be waived. A Shareholder only needs to fill in the number of votes in the box marked "FOR", and any number of votes in the boxes marked "AGAINST" and "ABSTAIN" shall be deemed to be invalid.

Where the "For" votes cast for a particular candidate for director are more than half of the total number of shares held by all shareholders attending (before cumulation) and where the "For" votes exceed the "Against" votes, the candidate in question will be considered to have been elected.