

**Zhong Fa Zhan Holdings Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 475)  
(the “Company”)

**Procedures for shareholder(s) of the Company (the “Shareholder(s)”) proposing a person for election as a director of the Company (the “Director”)**

**Introduction**

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the board of Directors (the “**Board**”) or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. (*Articles of Association 86(3)*).

**Procedures**

Procedures for Shareholders proposing a person for election as a Director are as follows:

*A. in the event where no notice of general meeting regarding election of director has been despatched*

1. Shareholder(s) can by written requisition to the Board or the secretary of the Company to require an extraordinary general meeting be called by the Board for the transaction of any business specified in such requisition. To raise such requisition, the Shareholder(s) must have held at the date of deposit of such requisition not less than one-tenth of the paid up capital of the Company carrying right to vote at general meetings of the Company (*Articles of Association 58*).
2. The meeting so requisitioned 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 requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company. (*Articles of Association 58*).

*B. in the event where notice of meeting has already been despatched for a general meeting regarding election of director*

1. In order to propose the appointment of a new Director (other than a Director retiring at the already appointed general meeting who has been recommended by the Board to stand for re-election at such general meeting) at the already appointed meeting, a Shareholder (other than the person to be proposed) shall sign a written notice (the “**Shareholder Notice**”) for which such notice is given of his intention to propose such person for election (*Articles of Association 88*).

2. The proposed Director shall also sign a written notice (the “**Director Notice**”, together with the Shareholder Notice, the “**Notices**”) of his willingness to be elected (*Articles of Association 88*). The nominating Shareholder or the proposed Director shall also provide particulars (as stipulated in Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the proposed Director (*Rule 13.70 of the Listing Rules*).
3. The Notices shall have been lodged at the registered office of the Company or at the head office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that the period for lodgment of the Notice(s) shall commence on the day after the despatch of the notice of the already appointed general meeting and end no later than seven (7) days prior to the date of such already appointed general meeting (*Articles of Association 88*). If the Notices are received less than twelve (12) business days prior to the general meeting, the Company may need to consider the adjournment of such general meeting in order to allow the Shareholders ten (10) business days to consider the proposal (*Rule 13.70 of the Listing Rules*).