

# YGM TRADING LIMITED

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 00375)

(the “Company”)

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

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Pursuant to Article 107 of the Articles of Association of the Company, 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 addition to the board.

The Company has adopted the following procedures for a shareholder of the Company who wishes to propose a person for election as a director of the Company.

1. A shareholder must send a notice in writing (the “Notice”) to the Company within the period set out in paragraph 3 below.
2. The Notice must be:
  - (A) signed by the shareholder concerned;
  - (B) state clearly the full name of the person proposed for election as a director of the Company and include details of that person’s biographical details as required by Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”);
  - (C) accompanied by a letter of consent signed by the person proposed to be elected on his/ her willingness to be elected as a director of the Company; and
  - (D) lodged at the registered office of the Company at 3/F, 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong for the attention of the company secretary.
3. The period for lodgment of the Notice will commence no earlier than the day after the despatch of any notice of annual general meeting or extraordinary general meeting of the Company and end no later than seven (7) days prior to the date scheduled for the general meeting of the Company.
4. The Company shall publish an announcement or issue a supplementary circular setting out particulars of the proposed director in the manner required by the Listing Rules upon receipt of the Notice from any shareholder to propose such person for election as a director of the Company at the general meeting.
5. If the Notice is received less than ten (10) business days (as defined in the Listing Rules) prior to date scheduled for the general meeting of the Company, the Company will need to consider the adjournment of such general meeting in order to allow shareholders 10 business days’ notice of the proposal.

**Adopted on 27 March 2012**