SHARES AND REGISTERED CAPITAL

The Company shall issue shares under the principles of openness, fairness and equality and shares of the same class shall carry the equal rights.

Shares of the same class issued at the same time shall be issued under the same condition and at the same price. Shares subscribed by subscribers shall be paid for at the same consideration.

INCREASE AND REDUCTION OF CAPITAL AS WELL AS REPURCHASE AND TRANSFER OF SHARES

Increase of Capital

The Company may, based on its operating and development needs, increase its capital in the following ways pursuant to the requirements of laws and regulations and subject to the resolutions passed at the general meetings:

(i) by offering of shares to unspecified parties;

(ii) by offering of shares to specific parties;

(iii) by allotting bonus shares to its existing shareholders;

(iv) by converting common reserve fund into share capital;

(v) by any other means which is stipulated by law and administrative regulations.

Reduction of Capital

The Company may reduce its registered capital in accordance with the provisions of the Articles of Association. The Company shall reduce its registered capital in accordance with the Company Law, the Listing Rules as well as the procedures stipulated in the Articles of Association.

The Company shall inform its creditors of the reduction in capital within 10 days and make public announcements on the National Enterprise Credit Information Publicity System, qualified media and the website of the Hong Kong Stock Exchange (www.hkexnews.hk) within 30 days. The creditors shall, within 30 days since the date of receiving a written notice or within 45 days since the date of the public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee.

When the Company reduces its registered capital, it may not reduce its capital in proportion to the shares held by shareholders, provided that such reduction shall be approved by shareholders representing more than two-thirds of the voting rights being present at the meeting. The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.

Repurchase of Shares

The Company shall not repurchase its shares, except in any of the following circumstances:

(i) to reduce registered capital of the Company;

(ii) to merge with another company that holds the shares of the Company;

(iii) to utilise shares in the employee share ownership scheme or for share incentive;

(iv) to acquire the shares upon request by shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company.

(v) to use the shares in the conversion of the convertible corporate bonds issued by the Company;

(vi) necessary to protect the Company's value and the shareholders' equity;

(vii) other circumstances permitted by laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

Where the Company acquires its shares under the reasons set out in items (i) and (ii) of the preceding paragraph, it shall be subject to the resolution of the general meeting. Where the Company acquires its shares under the circumstances set out in items (iii), (v) and (vi) of the preceding paragraph, it shall be subject to the resolution of the board meeting attended by more than two-thirds of the directors in accordance with the provisions of the Articles or the authorisation of the general meeting.

The shares repurchased by the Company in accordance with the Articles shall be processed in the following ways: for the circumstance in item (i), such shares shall be cancelled in 10 days after the date of acquisition; for the circumstance in item (ii) or (iv), such shares shall be transferred or cancelled in 6 months; for the circumstance in item (iii), (v) or (vi), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and such shares shall be transferred or cancelled in three years.

The Company acquires its own shares shall perform the obligation of information disclosure according to the provisions of the PRC Securities Law and the Hong Kong Listing Rules.

Transfer of Shares

Shares issued by the Company prior to its public offering shall not be transferred within 1 year as of the date on which the shares are listed and traded in the stock exchange where the Company's shares are listed.

The directors and senior management of the Company shall regularly declare the number of shares (including preferred shares) held by them and the relevant changes. The number of shares transferred each year during their term of office as determined at the appointment shall not exceed twenty-five percent of the total number of shares of the same class held by them. The shares of the Company held by them shall not be transferred within 1 year as of the listing date of the shares of the Company. The shares of the Company held by them shall not be transferred within six months after their resignation.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

Shareholders

The Company shall establish a register of shareholders with the information provided by the securities registration authority. The register of shareholders shall be sufficient evidence of the holding of the shares of the Company by the shareholders. A shareholder shall enjoy the rights and assume the obligations attached to the class of shares held. Shareholders holding the same class of shares shall be entitled to the same rights and assume equal obligations.

Rights and Obligations of Shareholders

Shareholders of the Company shall entitle the following rights:

(i) to the Company for dividends and other forms of profit distribution according to the proportion of shares they hold;

(ii) to request, convene, hold, participate or authorise proxies to attend shareholders' general meetings in accordance with the laws, and to exercise voting rights accordingly (unless individual shareholders are required to abstain from voting rights in respect of individual matters in accordance with the relevant requirements of the places where the Company's securities are listed);

(iii) to supervise the operations of the Company and to make suggestions or inquiries;

(iv) to transfer, give or pledge the shares held by them in accordance with the laws, administrative regulations and the Articles;

(v) to inspect and copy the Articles, register of shareholders, minutes of shareholders' general meetings, resolutions of the board meetings financial and accounting reports;

(vi) to participate in the distribution of the remaining property of the Company according to the proportion of shares they hold when the Company is terminated or liquidated;

(vii) to require the Company to buy back its shares in the event that shareholders objecting to resolutions of the general meeting concerning merger or division of the Company;

(viii) other rights set out in laws, administrative regulations, departmental rules and the Articles.

A shareholder requesting for inspection of information or access to materials referred to in the preceding Article shall produce to the Company written documents evidencing the class and number of shares that the shareholder holds. The Company shall provide such information and materials as requested by the shareholder after confirming the identity of the shareholder.

Shareholders of the Company shall assume the following obligations:

(i) to abide by the laws, administrative regulations and the Articles;

(ii) to make a capital contribution according to the shares they subscribe for and the capital participation method;

(iii) not to withdraw their shares unless otherwise provided by laws and regulations;

(iv) not to abuse their shareholders' rights to harm the Company's or other shareholders' interests; not to abuse the Company's legal person status or the shareholders' limited liability to harm the interests of the Company's creditors;

If a shareholder of the Company abuses shareholder rights and causes a loss to the Company or other shareholders, he or she shall be held liable for damages in accordance with laws. If a shareholder abuses the independent legal person status of the Company and the limited liability of shareholders in order to evade debts and thereby seriously damages the interests of the Company's creditors, he or she shall assume joint and several liability for the Company's debts. Where the Hong Kong Listing Rules and other applicable laws and regulations provide for the protection of minority investors, the Company shall implement such provisions.

(v) Other obligations to be assumed by the Shareholders according to the laws, administrative regulations and the Articles.

SHAREHOLDERS' GENERAL MEETING

General Rules for the Shareholders' General Meeting

The general meeting acts as the authority of the Company which, according to laws, exercises the following functions and power:

(i) to elect and replace the directors and decide on matters relating to the remuneration of the directors;

(ii) to review and approve the reports of the board of directors;

(iii) to review and approve the Company's profit distribution plans and loss recovery plans;

(iv) to decide on the increase or reduction of the Company's registered capital;

(v) to decide on the issue of bonds by the Company;

(vi) to decide on merger, division, dissolution, liquidation of the Company, or changes in the form of the Company;

(vii) to amend the Articles;

(viii) to decide on the appointment or dismissal of the accounting firms responsible for the auditing of the Company;

(ix) to review and approve the guarantee matters stipulated in Article 47 of the Articles of Association;

(x) to review the matters of purchase and sale by the Company within one year of significant assets exceeding 30% of the latest audited total assets of the Company;

(xi) to review and approve the change of the use of the raised funds;

(xii) to review stock incentive plans and employee stock ownership plans;

(xiii) to review other matters which, according to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or these Articles of Association, are subject to shareholders' decisions in general meetings;

The following external guarantees given by the Company shall be considered and approved by the general meeting:

(i) any guarantee to be provided by the Company and its controlling subsidiaries after the total amount of external guarantees exceeds 50% of the audited net asset of the Company for the most recent period;

(ii) any guarantee to be provided after the total amount of external guarantee provided by the Company has exceeded 30% of the audited total assets for the most recent period;

(iii) guarantees to be provided in favour of a guarantee recipient whose gearing ratio exceeds 70%;

(iv) guarantees with a single guaranteed amount in excess of 10% of the audited net asset of the Company for the most recent period;

(v) guarantees to be provided by the Company with an amount more than 30% of the audited total assets of the Company for the most recent period when being aggregated with guarantees incurred in the preceding 12 consecutive months;

(vi) guarantees to be provided in favour of any shareholder, de facto controllers and their respective connected parties;

(vii) other guarantees and circumstances of connected transactions as stipulated in the Articles of Association;

The external guarantee matters to be considered by the shareholders' meeting must be reviewed and approved by the board of directors before they can be submitted to the shareholders' meeting for consideration.

When a guarantee is raised for consideration and discussion at a board meeting, it shall be considered and approved by at least two-thirds of the directors attending the board meeting. When shareholders' general meeting makes resolution on guarantee matter in item (v) of paragraph 1, it shall be approved by more than two-thirds of the voting rights held by the shareholders present at the meeting. When the general meeting is considering a proposal to provide guarantee for any shareholder, de facto controller or connected parties, the said shareholder or the shareholders controlled by the said de facto controller shall be abstained from voting on the proposal, and the proposal shall be subject to approval by half or more of the voting rights of the other attending shareholders. Where the Company provides guarantees for a wholly-owned subsidiary or for a holding subsidiary and other shareholders of such holding subsidiary provide equal guarantee in proportion to their respective shareholdings without prejudice the interest of the Company, the provisions under item (i), item (ii) and item (v) above may be exempted.

The Company shall convene an extraordinary general meeting within 2 months of occurrence of any of the following cases:

(i) when the number of directors is less than the number prescribed by the Company Law or less than 2/3 of the amount required by the Articles;

(ii) when the Company's uncovered losses amount to 1/3 of the total paid-up share capital;

(iii) when shareholders, individually or collectively, holding more than 10% of the shares of the Company request;

(iv) when the board of directors deems it necessary;

(v) when the audit committee proposes to convene it;

(vi) other circumstances as stipulated by laws, administrative regulations, departmental rules or the Articles.

CONVENING OF SHAREHOLDERS' GENERAL MEETINGS

The board of directors shall convene a general meeting of the shareholders on time and within the prescribed time limit.

Upon approval by a simple majority of all independent non-executive directors, the independent non-executive directors shall have the right to propose the convening of an extraordinary general meeting to the board of directors. In response to such a proposal, the board of directors shall provide written feedback within 10 days of receiving the proposal, indicating whether it agrees or disagrees to convene the extraordinary general meeting in accordance with applicable laws, administrative regulations and the provisions of the Articles of Association. If the board of directors agrees to convene the meeting, it shall issue a notice convening the general meeting within 5 days after the relevant resolution is passed; if the board of directors disagrees, it shall state the reasons and make an announcement accordingly.

When the audit committee proposes the convening of an extraordinary general meeting to the board of directors, it shall submit such proposal in writing. The board of directors shall, provide written feedback within 10 days of receiving the proposal indicating whether it agrees or disagrees to convene the extraordinary general meeting, in accordance with applicable laws, administrative regulations and the provisions of the Articles of Association.

If the board of directors agrees to hold an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the resolution of the board of directors is made, and any changes to the original request in the notice shall be subject to the consent of the audit committee. If the board of directors does not agree to convene an extraordinary general meeting, or fails to give a response within 10 days after the receipt of the proposal, the board of directors is deemed to be unable or failed to perform its duty of convening the general meeting, and the audit committee may convene and preside over the meeting by itself.

Shareholders individually or jointly holding more than 10% of the Company's shares (including preference shares with voting rights restored) shall have the right to make a request to the board of directors in writing to convene an extraordinary general meeting. Pursuant to the laws, administrative regulations and the Articles, the board of directors shall provide written feedback on whether to agree or not to convene an extraordinary general meeting within 10 days after receiving the request. If the board of directors agrees to hold an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the resolution of the board of directors is made, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders.

If the board of directors does not agree to convene an extraordinary general meeting, or fails to give a response within 10 days after the receipt of the request, the shareholders individually or jointly holding more than 10% of the Company's shares (including preference shares with voting rights restored) shall have the right to propose to the audit committee in writing to convene an extraordinary general meeting. If the audit committee agrees to hold an extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the receipt of the request, and any changes to the original request in the notice shall be subject to the consent of the relevant shareholders. If the audit committee fails to issue a notice calling the general meeting by the prescribed deadline, the audit committee is deemed to be not convening and presiding over general meeting. In such case, shareholders individually or jointly holding more than 10% of the shares (including preference shares with voting rights restored) of the Company consecutively for at least 90 days may himself/herself/themselves convene and preside over such meeting.

Where the audit committee or shareholders decide to convene a general meeting on their own, they shall notify the board of directors in writing, and in accordance with relevant laws and regulations and Hong Kong Listing Rules, file a case with the stock exchange (if needed).

The shareholding proportion (including preference shares with voting rights restored) of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the shareholders' meeting.

NOTIFICATIONS OF SHAREHOLDERS' GENERAL MEETINGS

The convener shall inform each shareholder of the annual general meeting 20 days before the meeting and shall inform each shareholder of the extraordinary general meeting 15 days before the meeting. If the laws, regulations, and stock exchanges of the place where shares of the Company are listed have regulations otherwise, such regulations shall prevail.

The notice of the general meeting shall include the following contents:

(i) the time, venue, and duration of the meeting;

(ii) matters and proposals to be considered at the meeting;

(iii) a prominent written statement as follows: all common shareholders (including shareholders of preference shares with voting rights restored) and shareholders of special voting rights have the right to attend the general meeting, and may authorise in written form a proxy, who need not necessarily be a company shareholder, to attend and vote at the meeting;

(iv) the equity registration date for determining those shareholders who have the right to attend the general meeting;

(v) the names and telephone numbers of the permanent contact persons;

(vi) voting time and voting procedures online or by other means.

The specific details of all proposals shall be adequately and fully disclosed in all general meeting notices and supplementary notices. Where matters to be discussed require independent non-executive directors' opinions, the opinions and reasons given by the independent non-executive directors shall be disclosed when the general meeting notice or supplementary notice is issued.

Where a shareholders meeting of the Company will be held online or otherwise, the notice of shareholders meeting shall specify the voting time and procedures online or otherwise. There shall be no more than 7 working days between the date of record and the date of the meeting. Once confirmed, the date of record shall not be changed.

If the election of directors is proposed to be discussed at a shareholders meeting, the notice of the meeting shall fully disclose the detailed information on the director candidates, which shall at least include:

(i) personal particulars, including academic qualifications, working experience and concurrent positions;

(ii) whether or not have any connected relationship with the Company, its controlling shareholders or actual controller;

(iii) the disclosure of the number of shares of the Company held by such candidate;

(iv) whether there are circumstances which nomination of directors is prohibited; whether such candidates in compliance with qualifications as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles; whether such candidates have ever been punished by the CSRC and other relevant authorities or disciplined by a stock exchange.

Except for electing directors by cumulative voting, each candidate for director shall be nominated in a separate proposal.

(v) information relating to newly appointed, re-elected or re-designated directors required to be disclosed pursuant to the Hong Kong Listing Rules.

RESOLUTIONS AT THE GENERAL MEETINGS

The resolutions of a general meeting are classified into ordinary resolutions and special resolutions.

Ordinary resolutions of the general meeting shall be adopted by more than half of the voting rights held by the shareholders (including shareholders' proxies) present at the general meeting.

Special resolutions of the general meeting shall be adopted by more than two-thirds of the voting rights held by the shareholders (including shareholders' proxies) present at the general meeting.

The following matters shall be resolved by way of ordinary resolution of the general meeting:

(i) work reports of the board of directors;

(ii) proposals formulated by the board of directors for distribution of profits and for making up accrued losses;

(iii) appointment and removal of members of the board of directors, their remuneration and method of payment of their remuneration;

(iv) all matters required to be approved by way of special resolution under laws, the provisions of administrative regulations or the provisions of the Articles.

The following matters shall be resolved by way of special resolution of the general meeting:

(i) the increase or reduction of the registered capital by the Company;

(ii) the division, merger, dissolution and liquidation of the Company;

(iii) the amendment to the Articles;

(iv) the amount of purchase and the sale of major assets or the guarantee by the Company within one year exceeds 30% of the latest audited total assets of the Company;

(v) the share incentive schemes;

(vi) other matters which the laws, administrative regulations or the Articles require to be adopted by special resolutions and which the general meeting, by an ordinary resolution, considers to have a material impact on the Company and therefore require to be adopted by a special resolution.

(vii) other matters which Hong Kong Stock Exchange require to be adopted by special resolutions.

Shareholders (including shareholders' proxies), may exercise voting rights in the amount of the voting shares they represent and each share shall have one vote, except for Shareholders of class shares.

When the shareholders' meeting considers any significant matter that affects the interests of small and medium-sized investors, the votes cast by such investors shall be counted separately. The separate voting results shall be promptly and publicly disclosed.

Shares held by the Company do not carry any voting rights and shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.

When a connected transaction is considered at a general meeting, the connected shareholders shall abstain from voting, and the number of voting shares represented by them shall not be counted in the total number of valid votes.

When a shareholder purchased the Company's voting shares in violation of the provisions of the first and second paragraphs under Article 63 of the PRC Securities Law, such shares in excess of the prescribed proportion shall not be exercised for voting within thirty-six months from the date of purchase, nor be counted in the total number of voting shares present at the general meeting.

DIRECTORS AND THE BOARD OF DIRECTORS

Directors

Directors shall be elected or replaced at the general meeting for a term of 3 years and may be removed from office prior to the expiry of their tenure by shareholders' meeting. Directors may be re-elected upon the expiration of the term.

The manager or other senior management members may concurrently serve as directors, provided that the total number of directors who concurrently serve as manager or other senior management members and directors who are employee representatives shall not exceed half of the total number of directors of the Company.

Board of Directors

The Company shall set up a board of directors. The board of directors shall consist of 8 directors and have 1 chairman, with at least 3 independent non-executive directors and accounting for at least 1/3 of the members of the board of directors of the Company. At least one of the independent non-executive directors shall meet the requirement of having appropriate professional qualifications or accounting or related financial management expertise as well as in compliance with the Hong Kong Listing Rules. The number of directors who concurrently serve as senior management members and who are employee representatives within the board shall not exceed 1/2 of the total number of directors.

The board of directors shall exercise the following functions and powers in accordance with laws:

(i) to convene general meetings and report on its work to the general meetings;

(ii) to implement the resolutions of the general meeting;

(iii) to determine the operation plans and investment plans of the Company;

(iv) to formulate the profit distribution plans and loss recovery plans of the Company;

(v) to formulate proposals for the increase or reduction of the Company's registered capital, the issuance of bonds or other securities and listing plans;

(vi) to formulate plans for material acquisitions, repurchase of shares of the Company or merger, division, change of corporate form and dissolution;

(vii) to decide on matters such as external investment, acquisition and sale (including disposal) of assets, pledge of assets, external guarantees, entrusted wealth management, connected transactions and external donations of the Company within the scope of authorisation of the general meeting and in accordance with the provisions of the Hong Kong Listing Rules.

(viii) to determinate the setup of the Company's internal management organisations;

(ix) to decide on the appointment or dismissal of the Company's manager and secretary to the board of directors; to decide on the appointment or dismissal of the Company's deputy manager, chief financial officer and other senior management according to the nomination of the manager and to decide on matters over the remunerations and rewards and punishments thereof;

(x) to formulate the proposals for the allowance standard of the independent non-executive directors (if any);

(xi) to formulate the basic management system of the Company;

(xii) to formulate the amendment to the Articles of Association;

(xiii) to manage the information disclosure of the Company;

(xiv) to request the general meeting to engage or replace the accounting firm that provides audits for the Company;

(xv) to listen to the work report of the manager of the Company and inspect the work of the manager;

(xvi) other functions and powers authorised by the general meeting or prescribed by laws, administrative regulations, departmental rules or the Articles of Association.

The chairman of the board shall exercise the following functions and powers:

(i) to preside over general meetings and to convene and preside over meetings of the board of directors;

(ii) to supervise and inspect the implementation of the resolutions of the Board of Directors;

(iii) other than matter to be considered and approved by the general meeting and the board of the Company or considered and approved by the general manager with the authorisation of the board, other matters shall be decided by the chairman; provided that such matter is connected to the chairman, it shall be decided by the board.

(iv) other functions and powers conferred by the board of directors.

Board meetings shall be held at least four times a year. The meeting shall be convened by the chairman of the board by giving notice in writing to all directors 10 days prior to the meeting.

When shareholders representing more than 1/10 of voting rights, more than 1/3 of directors, the audit committee, the chairman and the manger propose or the securities regulatory authorities request the holding of meetings, the chairman of the board of directors shall, within 10 days of receipt of such proposal or request, convene and preside over the meeting of the board of directors.

Voting at board meetings is conducted by open ballot, with each director having one vote. Resolutions of the board of directors shall be passed by more than half of all directors.

GENERAL MANAGER

The Company shall have one general manager, who shall be appointed or dismissed by the board of directors.

The manager shall be accountable to the board of directors and exercise the following functions and powers:

(i) to be in charge of the production, operation and management of the Company, to organise and implement the resolutions of the board of directors, and to report on his/her work to the board of directors;

(ii) to organise and implement the Company's annual operational plan and investment plan;

(iii) to formulate the plan for establishment of the Company's internal management organisation;

(iv) to formulate the Company's basic management system;

(v) to formulate the detailed rules and regulations of the Company;

(vi) to request the board of directors to engage or dismiss financial officer of the Company;

(vii) to decide on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the board of directors;

(viii) other functions and powers conferred by the Articles or the board of directors.

The manager shall attend board meetings.

SECRETARY TO THE BOARD

The Company shall have one board secretary, being the company secretary under the Hong Kong Listing Rules, whose responsibilities include preparing general meetings and board meetings of the Company, maintaining documents and managing shareholder information of the Company, and handling the information disclosure of the Company.

The secretary to the board of directors shall comply with relevant provisions of the laws, regulatory rules of the place where the Company's shares are listed administrative regulations, departmental rules, and these Articles of Association.

The board of directors of the Company shall have audit committee and the audit committee shall exercise the functions and powers prescribed by the Company Law. The audit committee shall have 3 members, being non-executive directors who are not senior management members of the Company.

FINANCIAL AND ACCOUNTING SYSTEM

The Company shall formulate its own financial and accounting systems in accordance with the laws, regulatory rules of the place where the Company's shares are listed administrative regulations and the requirements of relevant state departments.

The accounting year of the Company follows the Gregorian calendar, which an accounting year shall commence on 1 January and end on 31 December of each year. Within 3 months from the closing date of an accounting year, the Company shall submit to the board the annual financial and accounting reports; within 2 months from the closing date of the first 6 months of an accounting year, the Company shall submit to the board the interim financial and accounting reports; within 1 month from the closing date of the first 3 months and the first 9 months of an accounting year, the Company shall submit to the board the quarterly financial and accounting reports. The above-mentioned periodical reports shall be prepared in accordance with the relevant laws, administrative regulations and the Hong Kong Listing Rules.

The financial and accounting reports of the Company shall be made available at the Company twenty days or earlier before the convening of the annual general meeting for shareholders' review. Every shareholder of the Company shall be entitled to receive the financial and accounting reports mentioned in this chapter.

The Company shall disclose periodical reports and interim reports in accordance with laws.

PROFIT DISTRIBUTION

The profit distribution of the Company shall attach importance to the reasonable return to investors. The profit distribution policy shall maintain continuous and stable.

The Company may implement interim cash dividends.

The Company may distribute its profits in the form of cash or shares. On the premise of ensuring the funds required for normal production, operation and development, the Company shall distribute cash dividends in an appropriate proportion.

DISSOLUTION AND LIQUIDATION OF THE COMPANY

The Company may be dissolved for any of the following reasons:

(i) the term of business operation prescribed in the Articles expires or other circumstance for dissolution prescribed in the Articles occurs;

(ii) the general meeting resolves to dissolve the Company;

(iii) dissolution is required due to merger or division of the Company;

(iv) the Company is revoked of its business licence, ordered to close down or annulled according to laws;

(v) there is severe difficulty in the operation and management of the Company, and the continued existence of the Company will have material prejudice to the interests of its shareholders and there is no other way to resolve, shareholders who hold an aggregate of over 10% of the whole voting rights can make a petition to the people's court to dissolve the Company.

Where any of the circumstances prescribed in above items (i) occurs, the Company may continue to exist through the amendment to the Articles.

The amendment to the Articles pursuant to the preceding paragraph shall be approved by shareholders representing more than 2/3 of the voting rights being present at the general meeting.

If the Company is dissolved under the above item (i), item (ii), item (iv), and item (v) of the Articles, a liquidation group shall be set up, which shall start liquidation within 15 days from the date of occurrence of the cause for dissolution. The members of such liquidation group shall be determined by the directors or the general meeting. If the liquidation group is not established within the prescribed period, creditors can submit an application to the people's court to appoint relevant officers to establish such liquidation group to carry out the liquidation.

The liquidation group shall notify its creditors within a period of ten days since the date it is established, and make announcements in the company's designated information disclosure media within sixty days. Creditors shall, within thirty days since the date of receiving the notice, or for creditors who do not receive the notice, within forty five days since the date of the public announcement, report their creditors' rights to the liquidation group.

If the liquidation group, having thoroughly examined the Company's property and prepared a balance sheet and schedule of assets, discovers that the Company's property is insufficient to pay its debts in full, it shall apply to the people's court for a declaration of bankruptcy in accordance with laws.

After the people's court has ruled for the Company to declare itself bankrupt, the Company's liquidation group shall refer the liquidation matters to the people's court.

Following the completion of liquidation of the Company, the liquidation group shall formulate a liquidation report, submit the same to the general meeting or the people's court for confirmation, and submit the aforementioned documents to the company registration authority to apply for company deregistration, and announce the Company's termination.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

(i) after the Company Law, the Listing Rules or relevant laws and regulations are amended, the provisions of the Articles of Association are in conflict with the provisions of the amended ones;

(ii) there has been a change to the Company, resulting in inconsistency with the contents in the Articles of Association;

(iii) the general meeting decides to amend the Articles of Association.