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LEAPMOTOR
ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.
浙江零跑科技股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 9863)

**PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION
AND THE PROCEDURAL RULES**

The board of directors (the “**Board**”) of Zhejiang Leapmotor Technology Co., Ltd. (the “**Company**”) hereby announces that the following matters will be proposed to the general meeting for shareholders’ approval.

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

On 14 February 2023, the State Council of the PRC (the “**State Council**”) issued the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) (the “**Decision**”), which includes the repeal of the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) issued by the State Council on 4 August 1994. On 17 February 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and relevant guidelines, which includes the repeal of the Notice on the Implementation of the Mandatory Provisions for Companies Listing Overseas (《關於執行〈到境外上市公司章程必備條款〉的通知》). The Decision and the Trial Measures have been effective since 31 March 2023 (the “**PRC Regulation Changes**”). From the effective date of the Decision and the Trial Measures, PRC issuers shall formulate their articles of association with reference to the Guidelines on Articles of Association of Listed Companies (《上市公司章程指引》) instead of the Mandatory Provisions for Companies Listing Overseas. Furthermore, Domestic Shareholders and H Shareholders are no longer deemed to be different classes of shareholders, thus the class meeting requirement applicable to Domestic Shareholders and H Shareholders are no longer necessary and removed.

In view of the above PRC Regulation Changes, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) also released a consultation paper “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” (the “**Consultation Paper**”) on 24 February 2023, stipulating the consequential Listing Rules Amendments. On 21 July 2023, the Stock Exchange published conclusions to the Consultation Paper. In particular, the Stock Exchange has made consequential amendments to the Listing Rules which have come into effect since 1 August 2023 to, amongst others, reflect the PRC Regulation Changes. Accordingly, the Company is required to amend its existing articles of association (the “**Articles to Association**”) to comply with the requirements of the Listing Rules and the applicable laws and regulations of the PRC.

As Domestic Shares and H Shares are regarded as one class of ordinary shares under PRC law following the PRC Regulation Changes and holders of the Domestic Shares and H Shares are no longer deemed to be different classes of shareholders, the substantive rights attached to these two kinds of shares (including rights on voting, dividend and asset distribution upon liquidation) are the same, thus the Proposed Amendments (including the removal of the class meeting requirement from the Articles of Association following the repeal of the Mandatory Provisions for Companies Listing Overseas) will not compromise protection of the H Shareholders and will not have material impact on measures relating to shareholder protection.

In view of the above, the Board proposed to amend the Articles of Association. The amendments to the Articles of Association are set out in Appendix I to this announcement. According to the Articles of Association and the relevant laws and regulations, the amendments to the Articles of Association will take effect subject to the approval of the shareholders by way of a special resolution at each of the general meeting, the H shareholders’ class meeting and the domestic shareholders’ class meeting. The Articles of Association are prepared in Chinese with no official English version. Any English translation is for reference only. In the event of any inconsistency, the Chinese version shall prevail.

PROPOSED AMENDMENTS TO THE PROCEDURAL RULES

In view of the amendments to the Articles of Association, the Company proposes to amend each of the rules of procedure for the board of supervisors of the Company and the rules of procedure for the general meeting of the Company (collectively, the “**Procedural Rules**”). Details of the proposed amendments to the Procedural Rules are set out in Appendices II and III to this announcement, respectively. The amendments to the Procedural Rules are subject to the approval of the Shareholders by way of a special resolution at each of the general meeting, the H shareholders’ class meeting and the domestic shareholders’ class meeting. The Company shall be authorised to make corresponding adjustments to the Procedural Rules in accordance with the final Articles adopted by the Company. The Procedural Rules are prepared in Chinese with no official English version. Any English translation is for reference only. In the event of any inconsistency, the Chinese version shall prevail.

A circular will be despatched to the shareholders of the Company as soon as practicable in accordance with relevant requirements of the Articles of Association and the Listing Rules setting out, among other things, further details of the amendments to the Articles of Association and the Procedural Rules.

By order of the Board
Zhejiang Leapmotor Technology Co., Ltd.
Mr. Zhu Jiangming
*Founder, Chairperson of the Board and
Chief Executive Officer*

Hong Kong, 18 September 2023

As at the date of this announcement, the Board comprises Mr. Zhu Jiangming, Mr. Wu Baojun and Mr. Cao Li as executive Directors; and Mr. Jin Yufeng as a non-executive Director; and Mr. Fu Yuwu, Dr. Huang Wenli and Ms. Drina C Yue as independent non-executive Directors.

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.

ARTICLES OF ASSOCIATION

Chapter 1 General Provisions

Article 1 The Articles of Association is formulated in accordance with the Company Law of the PRC (the “Company Law”), the Securities Law of the PRC (the “Securities Law”), the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Mandatory Provisions for Companies Listing Overseas (the “Mandatory Provisions”), the Letter on Opinions Concerning the Supplements and Amendments to the Articles of Association by Companies to Be Listed in Hong Kong (the “Letter of Opinion on Amendments”), the Opinions on Further Promoting Standard Operation of Overseas Listed Companies and Deepening Reform (the “Opinions on Deepening Reform”) jointly issued by the former State Economic and Trade Commission and the China Securities Regulatory Commission on March 26, 1999, Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Official Reply of the State Council on Adjusting the Application of Provisions to Matters Including the Notification Period for Convening Shareholders’ Meetings by Overseas Listed Companies (the “Reply of the Notification Period for Shareholders’ Meetings”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”) and other relevant provisions, for the purpose of safeguarding the legitimate rights and interests of the Company, its Shareholders and creditors, and regulating the organization and activities of the Company.

Article 2 The Company is a limited liability company by shares established in accordance with the Company Law, ~~the Special Regulations~~ and other relevant regulations (the “Company”). The Company was incorporated and converted from Zhejiang Leapmotor Technology Co., Ltd. (浙江零跑科技有限公司), and the original shareholders of Zhejiang Leapmotor Technology Co., Ltd. (浙江零跑科技有限公司) are the promoters of the Company.

Article 3 The Company was approved by the China Securities Regulatory Commission on August 17, 2022 to issue 130,819,100 overseas listed foreign shares and to convert a total of 791,334,785 domestic unlisted shares into overseas listed foreign shares (hereinafter referred to as H Shares), and the H Shares were listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the Hong Kong Stock Exchange) on September 29, 2022.

Article 4 The registered name of the Company in Chinese is: 浙江零跑科技股份有限公司

The name of the Company in English is: Zhejiang Leapmotor Technology Co., Ltd.

Article 5 Address of the Company: 1/F, No. 451 Wulianwang Street, Binjiang District, Hangzhou, Zhejiang Province. Post Code: 310051; Tel: 0571-86958057; Fax: 0571-86958057.

Article 6 The registered capital of the Company is RMB1,142,706,059.

Article 7 The Company is a limited liability company by Shares which exists on a perpetual basis.

Article 8 The legal representative of the Company is the Chairman.

Article 9 The Company's total assets are divided into Shares of equal par value and Shareholders shall be accountable to the Company to the extent of their shareholding. The Company is liable for the debts of the Company with all of its assets.

The Company can invest in other companies with limited liability and joint stock limited companies by shares, and shall be accountable to the investees to the extent of its contribution.

Article 10 From its effective date, the Articles of Association has constituted a legally binding document regulating the Company's organization and activities, and the rights and obligations between the Company and its Shareholders and among the Shareholders, with a legal binding effect on the Company and its Shareholders, Directors, Supervisors and senior management. ~~All of them have the rights to refer to the Articles of Association for claims regarding affairs related to the Company.~~ In accordance with the Articles of Association, Shareholders may sue other Shareholders; Shareholders may sue Directors, Supervisors, general manager (known as "Chief Executive ~~Director~~**Officer** (CEO)" of the Company and the same hereinafter) and other senior management of the Company; Shareholders may sue the Company; the Company may sue Shareholders, Directors, Supervisors, general manager and other senior management of the Company.

~~The term "sue" mentioned above shall include commencing court proceedings or applying for arbitration proceedings.~~

Article 11 Other senior management referred to in the Articles of Association means those persons in the Company's organizational structure who assume the positions of deputy general managers as defined in the Company Law (hereinafter collectively referred to as the "deputy general manager"), the Chief Financial Officer and the Secretary to the Board.

Chapter 2 Objectives and Scope of Business

Article 12 Business objectives of the Company: the Company upholds the values of "user – centric, integrity, responsibility, efficiency and innovation" and is committed to providing users with highly cost – effective products and travel experience to create a leading global new energy vehicle enterprise.

Article 13 Business scope of the Company: development and design of new energy vehicles and vehicle accessories, production of new energy vehicles, production of vehicle accessories, sales of vehicles and vehicle accessories, development, technical services and sales of

computer software, electronic products and communications products, technical consultation of computer application technology, training services (excluding organizing training courses), development, system integration and sales of network products as well as the engagement in import and export businesses. (Projects which require approval according to the laws shall commence operation once approved by relevant authorities.)

The business scope referred in the preceding paragraph is subject to review by company registration authorities.

The Company may adjust its business scope based on domestic and overseas market changes, business development and its capacity, and shall complete relevant procedures for industrial and commercial registration change in accordance with regulations.

Chapter 3 Shares

Section 1 Issuance of Shares

Article 14 The Company's stock takes the form of Shares.

~~The Company shall have ordinary Shares at any time. Ordinary Shares issued by the Company include domestic Shares and foreign Shares. Subject to approval by the authorized company registration department of the State Council, the Company may create other classes of Shares as needed in accordance with the provisions under relevant laws and administrative regulations.~~

Article 15 Issuance of Shares of the Company shall adopt the principles of fairness and impartiality. Shares of the same class shall rank *pari passu* with one another.

For the same class of Shares issued in the same tranche, each Share shall be issued at the same price and subject to the same conditions. For Shares subscribed by any entity or individual, the amount paid for each Share shall be the same.

Article 16 All the Shares issued by the Company shall have a par value denominated in Renminbi which shall be RMB1 for each Share.

~~**Article 17** The Company may, upon approval by the securities regulators of the State Council, issue Shares to domestic investors and overseas investors.~~

~~Overseas investors in the preceding paragraph refer to investors in foreign countries, the Hong Kong Special Administrative Region ("Hong Kong"), the Macao Special Administrative Region and Taiwan who subscribe for the Shares issued by the Company. Domestic investors refer to investors residing in the territory of the People's Republic of China other than the places referred to above who subscribe for the Shares issued by the Company.~~

Article 17 Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as Domestic Shares. Shares issued by the Company to foreign investors for subscription in foreign currencies shall be referred to as Foreign Shares. **Issuance of Shares**

by the Company to domestic investors and overseas investors shall comply with the registration or filing procedures with the China Securities Regulatory Commission (the “CSRC”) according to laws. Shares issued with the approval of an authority authorized by the State Council and approved by the overseas securities regulatory authority for listing and trading on an overseas stock exchange are known as overseas listed shares.

Overseas investors in the preceding paragraph refer to investors in foreign countries, the Hong Kong Special Administrative Region (“Hong Kong”), the Macao Special Administrative Region and Taiwan who subscribe for the Shares issued by the Company. Domestic investors refer to investors residing in the territory of the People’s Republic of China other than the places referred to above who subscribe for the Shares issued by the Company.

Foreign currencies in the preceding paragraph means the legal currencies other than RMB of other countries or regions that are recognized by the State’s foreign exchange administration authority which can be used to pay for subscription for the Shares of the Company.

Overseas listed foreign shares listed in Hong Kong and issued by the Company are known as H Shares. H Shares refer to the Shares approved to be listed on the Hong Kong Stock Exchange, whose par value is denominated in Renminbi and which are subscribed for and traded in Hong Kong dollars.

~~After issuance and listing of Shares overseas by the Company and upon approval by the State Council or its securities regulators, Shareholders of the Domestic Shares of the Company may transfer the Shares held by them to overseas investors, and may convert such Shares into overseas listed Shares. If such Shares are listed and traded on overseas stock exchanges, the regulatory procedures, provisions and requirements of the overseas stock markets shall also be complied with. No class Shareholders’ meeting needs to be convened in respect of the listing and trading of such Shares on overseas stock exchanges. If the Domestic Shares held by the Shareholders of the Company are listed and traded overseas upon approval, the class of such Shares shall be changed to overseas listed Shares.~~

~~Shareholders of Domestic Shares and Shareholders of Foreign Shares who hold the ordinary Shares of the Company shall be entitled to the same rights in any distribution made by dividends or in other forms.~~

Article 18 Subject to filing with the securities regulatory authorities under the State Council, the Unlisted Shares of the Company are convertible into Overseas Listed Foreign Shares, and may be listed and traded on overseas stock exchanges. If such Shares are listed and traded on overseas stock exchanges, the regulatory procedures, provisions and requirements of the overseas stock exchanges shall also be complied with. No Shareholders’ general meeting is required to be convened for voting in respect of the conversion of Unlisted Shares into Overseas Listed Foreign Shares and the listing and trading of such Shares on overseas stock exchanges.

Article 18~~Article 19~~ The promoters of the Company and number of Shares subscribed by the promoters and their shareholding percentage are as follows:

No.	Name of promoter	Number of Shares subscribed (0'000 Shares)	Percentage of shareholding	Form of investment	Time of investment
1	Zhu Jiangming	9,259.6398	11.7389%	Net asset	April 6, 2021
2	Fu Liquan	9,120.0000	11.5617%	Net asset	April 6, 2021
3	Zhejiang Dahua Technology Co., Ltd.	9,000.0000	11.4097%	Net asset	April 6, 2021
4	Guosen Securities Co., Ltd. (as the manager of "Guosen Securities Leapmotor Technology Employee Shareholding No. 1 Single Asset Management Plan")	5,772.3164	7.3178%	Net asset	April 6, 2021
5	Ningbo Hualing Venture Capital Partnership (Limited Partnership)	5,654.7741	7.1688%	Net asset	April 6, 2021
6	Shanghai Electric Hong Kong Co., Ltd	4,077.4720	5.1692%	Net asset	April 6, 2021
7	Ningbo Meishan Free Trade Zone Sequoia Zhisheng Capital Investment L.P.	3,743.1193	4.7453%	Net asset	April 6, 2021
8	Hangzhou Hanzhi Investment L.P.	3,663.8186	4.6448%	Net asset	April 6, 2021
9	Jinhua Yuxuan Smart IoT New Energy Partnership (Limited Partnership)	2,935.7798	3.7218%	Net asset	April 6, 2021
10	Ningbo Huayang Investment Management Partnership (Limited Partnership)	2,400.0000	3.0426%	Net asset	April 6, 2021
11	Ningbo Gulin Equity Investment Partnership (Limited Partnership)	2,091.7431	2.6518%	Net asset	April 6, 2021
12	Zhoushan Haohai Venture Capital Partnership (Limited Partnership)	2,056.6939	2.6074%	Net asset	April 6, 2021
13	Changsha Nuofeng Private Equity Fund Partnership (Limited Partnership)	1,451.7839	1.8405%	Net asset	April 6, 2021
14	Wenzhou Qiangpao Equity Investment L.P.	1,440.0000	1.8256%	Net asset	April 6, 2021
15	Huzhou Jingxin Equity Investment Partnership (Limited Partnership)	1,354.9983	1.7178%	Net asset	April 6, 2021
16	Ningbo Jinghang Enterprise Management Partnership (Limited Partnership)	1,280.6500	1.6236%	Net asset	April 6, 2021
17	Hangzhou Jingbo Equity Investment Partnership (Limited Partnership)	1,080.0000	1.3692%	Net asset	April 6, 2021
18	Wanzai Mingzhao Consulting Service Center (Limited Partnership)	1,080.0000	1.3692%	Net asset	April 6, 2021
19	Chen Jinxia	1,027.6248	1.3028%	Net asset	April 6, 2021
20	Huzhou Heninghai Equity Investment Partnership (Limited Partnership)	980.9220	1.2436%	Net asset	April 6, 2021

No.	Name of promoter	Number of Shares subscribed (0'000 Shares)	Percentage of shareholding	Form of investment	Time of investment
21	Hefei Xuanyizhahui New Energy Industry Investment Fund Partnership (Limited Partnership)	967.8559	1.2270%	Net asset	April 6, 2021
22	Jing Hua	720.0000	0.9128%	Net asset	April 6, 2021
23	Xu Wei	720.0000	0.9128%	Net asset	April 6, 2021
24	Huzhou Yipu Enterprise Management Partnership (Limited Partnership)	550.4587	0.6978%	Net asset	April 6, 2021
25	Gao Dong	510.5403	0.6472%	Net asset	April 6, 2021
26	Ningbo Meishan Free Trade Port Zone Xingmao Investment Management L.P.	483.9280	0.6135%	Net asset	April 6, 2021
27	Zhejiang Mituo Investment Co., Ltd.	456.7856	0.5791%	Net asset	April 6, 2021
28	Hangzhou Qianyuyongzhen Investment Partnership (Limited Partnership)	440.3670	0.5583%	Net asset	April 6, 2021
29	Ma Tingqi	440.3670	0.5583%	Net asset	April 6, 2021
30	Industrial Securities Investment Management Limited	407.7472	0.5169%	Net asset	April 6, 2021
31	Hangzhou Xintu Technology Co., Ltd.	407.7472	0.5169%	Net asset	April 6, 2021
32	Ningbo Sequoia Jiasheng Equity Investment Partnership (Limited Partnership)	407.7472	0.5169%	Net asset	April 6, 2021
33	Hangzhou Junyi Venture Capital Partnership (Limited Partnership)	360.0000	0.4564%	Net asset	April 6, 2021
34	Hangzhou Yisheng Investment Partnership (Limited Partnership)	360.0000	0.4564%	Net asset	April 6, 2021
35	Geng Yongping	360.0000	0.4564%	Net asset	April 6, 2021
36	Hangzhou Yueyou Canal Industrial Investment Partnership (Limited Partnership)	330.2752	0.4187%	Net asset	April 6, 2021
37	Hangzhou Qian Yao Investment Partnership (Limited Partnership)	261.3211	0.3313%	Net asset	April 6, 2021
38	Shanghai Xiangheyongyuan Equity Investment Partnership (Limited Partnership)	241.9640	0.3067%	Net asset	April 6, 2021
39	Zhang Wenjun	241.9640	0.3067%	Net asset	April 6, 2021
40	Central SOEs Industrial Investment Fund for Rural Area Co., Ltd.	241.9640	0.3067%	Net asset	April 6, 2021
41	Hangzhou Chunsheng Investment Co., Ltd.	241.9640	0.3067%	Net asset	April 6, 2021
42	Gao Yanfeng	241.9640	0.3067%	Net asset	April 6, 2021
43	Everfront Phoenix Mountain Ltd.	13.9620	0.0177%	Net asset	April 6, 2021
	Total	78,880.2584	100%	-	-

~~Article 19~~ **Article 20** The total number of Shares of the Company is 1,142,706,059, all of which are ordinary Shares., in which Domestic Shareholders hold 220,552,174 Shares, accounting for 19.30% of the total ordinary Shares issued by the Company; H Shareholders hold 922,153,885 Shares, accounting for 80.70% of the total ordinary Shares issued by the Company.

Article 21 The Company or its subsidiaries (including affiliates of the Company) shall not, by means of a gift, advance, guarantee, compensation or loans, provide any financial assistance to a person who purchases or intends to purchase Shares of the Company.

~~Article 20~~ Subject to the approval of the Company's plans for issuing Overseas Listed Foreign Shares and Domestic Shares by the securities regulatory and administration authorities of the State Council, the Board of the Company may arrange for implementation of such plan by separate issues.

The Company may separately implement its plan for issuing Overseas Listed Foreign Shares and Domestic Shares pursuant to the preceding paragraph within 15 months from the date of approval of the securities regulatory and administration authorities of the State Council or within the period stipulated by relevant applicable regulations.

Subject to the approval by the securities regulatory authorities of the State Council, the Unlisted Shares of the Company are convertible into Overseas Listed Foreign Shares, and may be listed and traded on overseas stock exchanges. If such Shares are listed and traded on overseas stock exchanges, the regulatory procedures, provisions and requirements of the overseas stock exchanges shall also be complied with.

No Shareholders' general meeting or Shareholders' class meeting is required to be convened for voting in respect of the conversion of Unlisted Shares into Overseas Listed Foreign Shares and such Shares' listing and trading on overseas stock exchanges. The Overseas Listed Foreign Shares converted from Unlisted Shares shall be of the same class as the existing Overseas Listed Foreign Shares.

Article 21 Where the Company issues Overseas Listed Foreign Shares and Domestic Shares respectively within the total number of Shares specified in the issue plan, the respective shares shall be fully subscribed for in one go. Where it is impossible for respective Shares to be fully subscribed for in one go under exceptional circumstances, the Shares may be issued in several tranches subject to the approval of the securities regulatory and administration authorities of the State Council.

Section 2 Increase, Reduction and Repurchase of Shares

Article 22 Based on its operation and development needs and in accordance with provisions under laws and administrative regulations, the Company may increase its capital in the following manners upon separate resolutions at the general meeting:

- (I) public issue of Shares;
- (II) non-public issue of Shares;
- ~~(III) placing new Shares to existing Shareholders;~~
- ~~(IV)~~(III) bonus issue of Shares to existing Shareholders;
- ~~(V)~~(IV) conversion of reserve into equity;
- ~~(VI)~~(V) other means as permitted by laws and administrative regulations or as approved by relevant regulators.

The Company's issuance of new Shares to increase capital shall, upon approval according to the Articles of Association and the listing rules of the place where the Company's Shares are listed, be carried out in accordance with the procedures stipulated by relevant national laws, administrative regulations, departmental rules and the listing rules of the place where the Company's Shares are listed.

Article 23 The Company may reduce its registered capital. The Company's reduction of registered capital shall be carried out in accordance with the Company Law and other relevant requirements, and the procedures set forth in the Articles of Association.

Article 24 The Company may acquire the Shares of the Company in accordance with provisions under laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association under the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with another company that holds the Shares of the Company;
- (III) to use Shares for the Employee Shareholding Plan or as equity incentives;
- (IV) a Shareholder requesting the Company to purchase the Shares held by him/her since he/she objects to a resolution of the general meeting on the combination or division of the Company;
- (V) to use Shares for conversion into such corporate bonds issued by the listed company that can be converted into stocks;

- (VI) as deemed necessary by the Company to protect its corporate value and the rights and interests of shareholders;
- (VII) other circumstances prescribed by laws, administrative regulations, departmental rules, The Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong, the Hong Kong Listing Rules and the regulatory rules of the place where the Company's Shares are listed.

The Company shall not engage in activities of trading in the Shares of the Company except in the circumstances described above.

Article 25 The Company purchasing its own Shares under any of the circumstances set forth in items (I) and (II) of Article 24 of the Articles of Association shall be subject to a resolution at the general meeting; and the Company purchasing its own Shares under any of the circumstances set forth in items (III), (V) or (VI) of Article 24 of the Articles of Association may, pursuant to the provisions under the Articles of Association or the authorization of the general meeting, be subject to a resolution of a meeting of the Board at which more than two-thirds of Directors are present.

After purchasing its own Shares pursuant to the provisions of Article 24 of the Articles of Association, the Company shall, under the circumstance set forth in item (I), cancel them within 10 days after the purchase; while under the circumstance set forth in either item (II) or (IV), transfer or cancel them within six months.

Where the Company purchases its Shares under the circumstance set forth in item (III), (V) or (VI) of Article 24 of the Articles of Association, it shall not hold in aggregate more than 10% of all the Shares issued by the Company, and shall transfer or cancel them within three years; and the funds used for the acquisition shall be paid out of the Company's profit after tax.

Article 26 The Company may acquire its Shares by means of public and centralized trading or other ways approved by laws and regulations and the CSRC. ~~choose one of the following means to acquire its Shares upon approval by relevant competent authorities:~~

- ~~(I) to issue a repurchase offer to all Shareholders in the same proportion;~~
- ~~(II) to repurchase the Shares by means of public trading on the stock exchange;~~
- ~~(III) to repurchase the Shares by agreement outside the stock exchange;~~
- ~~(IV) other means approved by national laws, administrative regulations and relevant competent authorities.~~

~~**Article 27** The repurchase of Shares by agreement outside the stock exchange shall be approved in advance by the general meeting in accordance with the provisions of the Articles of Association. With the prior approval of the general meeting in the same manner, the Company may cancel or change the contract already entered into by the aforementioned means, or waive any of its rights of the contract.~~

~~The contract for the repurchase of Shares referred to in the preceding paragraph includes (but is not limited to) an agreement for assuming the obligation to repurchase Shares and to acquire the right to repurchase Shares.~~

~~The Company may not assign the contract for the repurchase of its Shares or any of the rights therein.~~

~~In the case of redeemable Shares of the Company, as far as the Company has the right to repurchase the redeemable Shares, the price of the Shares must be limited to a certain maximum price if the Shares are not repurchased through the market or bidding; if the Shares are purchased through bidding, the relevant tenders must be made to all shareholders without discrimination.~~

~~**Article 28**~~**Article 27** If the Company has to cancel the Shares after the repurchase in accordance with the law, it shall cancel such part of the Shares within the period prescribed by laws and regulations and apply to the company registration authority to amend the registration as to registered capital.

The aggregate par value of the cancelled Shares shall be deducted from the Company's registered capital.

~~**Article 29** Unless the Company is in the course of liquidation, it must comply with the following provisions in relation to repurchase of its outstanding Shares:~~

- ~~(I) where the Company repurchases Shares at nominal value, payment shall be made out of the book surplus on the distributable profits of the Company or out of the proceeds of the new issue of Shares made for that purpose;~~
- ~~(II) where the Company repurchases Shares at a premium to its nominal value, payment equivalent to the nominal value may be made out of the book surplus on the distributable profits of the Company or out of the proceeds of the new issue of Shares made for that purpose. Payment of the portion in excess of the nominal value shall be effected as follows:~~
 - ~~(1) if the Shares being repurchased were issued at nominal value, payment shall be made out of the book surplus on the distributable profits of the Company;~~
 - ~~(2) if the Shares being repurchased were issued at a premium to its nominal value, payment shall be made out of the book surplus on the distributable profits of the Company or out of the proceeds of the new issue of Shares made for that purpose;~~

~~provided that the amount paid out of the proceeds of the new issue shall not exceed the aggregate amount of premiums received by the Company on the issue of the Shares repurchased or the Company's capital common reserve account at the time of the repurchase (including the number of premiums on the new issue);~~

~~(III) the Company shall make the following payments out of the Company's distributable profits:~~

~~(1) payment for the acquisition of the right to repurchase its own Shares;~~

~~(2) payment for the variation of any contract for the repurchase of its Shares;~~

~~(3) payment for the release of its obligation(s) under any contract for the repurchase of Shares.~~

~~(IV) after the Company's registered capital has been reduced by the aggregate nominal value of the cancelled Shares in accordance with the relevant provisions, the amount deducted from the distributable profits for payment of the nominal value of the repurchased Shares shall be included in the Company's capital common reserve account.~~

~~Where laws, administrative regulations, departmental rules and the listing rules of the place where the Company's Shares are listed provide otherwise for the financial treatment involved in the aforementioned Share repurchase, such provisions shall prevail.~~

Section 3 Share Transfer

~~**Article 30**~~ **Article 28** Except as otherwise provided for by laws, administrative regulations or the listing rules of the place where the Company's Shares are listed, the paid-up Shares of the Company's share capital may be freely transferred ~~without any lien.~~

The transfer of H Shares listed in Hong Kong is subject to registration with the local stock registration agency entrusted by the Company in Hong Kong.

~~**Article 31**~~ All overseas listed Shares listed on the Hong Kong Stock Exchange with paid-up capital may be freely transferred in accordance with the Articles of Association, provided that the Board may refuse to recognize any instrument of transfer without statement of any reason therefor unless the following conditions are met:

~~(I) the instrument of transfer involves solely overseas listed Shares listed on the Hong Kong Stock Exchange;~~

~~(II) the stamp duty payable under the laws of Hong Kong on the instrument of transfer has been paid;~~

~~(H) the share certificate(s) concerned shall be provided, together with such evidence as the Board may reasonably require to prove the right of the transferor to transfer the Shares.~~

~~If the Board refuses to register the transfer of the Shares, the Company shall give the transferor and the transferee a notice of refusal to register the transfer of such Shares within 2 months from the date on which the transfer application is duly made.~~

~~**Article 32** All transfers of H Shares listed in Hong Kong shall be effected by an instrument of transfer in writing in the usual or common form or in any other form acceptable to the Board (including the standard form of transfer or transfer form prescribed by the Hong Kong Stock Exchange from time to time); the instrument of transfer may be executed by hand only or, if the transferor or transferee is a company, under its seal. If the transferor or transferee is a recognized clearing agency as defined in the relevant regulations in force from time to time under the laws of Hong Kong or its nominee, the transfer form may be executed by hand or by machine imprint.~~

~~All instruments of transfer shall be placed at the legal address of the Company or at such address as the Board may designate from time to time.~~

~~**Article 33****Article 29** The Company does not accept the Company's Shares as a pledge right object.~~

~~**Article 34****Article 30** The Shares of the Company held by the promoters shall not be transferred within one year from the date of establishment of the Company.~~

The Directors, Supervisors and senior management personnel of the Company shall declare to the Company the number of its Shares held by them and the alternation of such Shares. During their term of office, they shall not transfer more than 25% of the total number of the Company's Shares they held for a year or transfer any Shares of the Company within one year from the date when the Company's Shares are listed for trading. Within six months of their departure, the aforesaid personnel shall not transfer the Company's Shares held by them. Where such transfer restriction involves H Shares, the relevant provisions under the Hong Kong Listing Rules shall be complied with.

~~**Article 35****Article 31** Where the Directors, Supervisors and senior management personnel of the Company and any shareholders who hold more than 5% of the Company's Shares, sell his/her Shares in the Company or other securities with equity nature within six months of his/her purchase, or purchase the Shares again within six months of the sale, the profits thus made shall accrue to the Company and the Board shall collect all such profits. Where such transfer restriction involves H Shares, it is subject to the approval of the Hong Kong Stock Exchange. If a securities company, however, as the underwriter, purchases all the unsold Shares and therefore holds more than 5% of the Shares, it is not subject to the six months restriction for selling such Shares.~~

Shares or other securities with equity nature held by Directors, Supervisors, senior management personnel and natural person Shareholders in the preceding paragraph include shares or other securities with equity nature held by their spouses, parents, children and under accounts of other persons.

If the Board of the Company fails to comply with the requirements under the preceding paragraph **1 in this Article**, a Shareholder shall have the rights to request the Board to do so within 30 days. In failure of the Board of the Company to comply with the same within the aforesaid period, such Shareholder shall have the rights to institute a legal proceeding directly with the court in its own name for the benefit of the Company.

If the Board of the Company fails to comply with the requirements under the first paragraph, the Director(s) liable shall assume joint and several responsibilities pursuant to laws.

Section 4 — Financial Assistance for the Acquisition of Shares of the Company

~~**Article 36** The Company or its subsidiaries shall not at any time provide any financial assistance in any form to purchasers or prospective purchasers of the Shares in the Company. Purchasers of Shares in the Company as referred to above shall include persons that directly or indirectly undertake obligations for the purpose of purchasing Shares in the Company. The Company or its subsidiaries shall not at any time provide financial assistance in any form to the above obligors in order to reduce or discharge their obligations.~~

~~This Article shall not apply to those described in Article 38 of the Articles of Association.~~

~~**Article 37** In the Articles of Association, financial assistance includes (but is not limited to) assistance by way of:~~

- ~~(I) gift;~~
- ~~(II) guarantee (including the provision of any undertaking or property to secure the performance of obligations by the obligor), indemnity (other than an indemnity in respect of the Company's default), release or waiver of rights;~~
- ~~(III) provision of loans, or any other contract under which the obligations of the Company are to be fulfilled before the obligations of another party to the contract, or the change of such loans and parties to the contract, or the assignment of rights under such loans or contracts;~~
- ~~(IV) financial assistance provided in any other manner where the Company is unable to pay its debts, has no net assets or in situations where its net assets would be reduced to a material extent.~~

~~In this Article, undertaking of obligations includes the obligations incurred by changing one's financial position by entering into a contract or arrangement (whether enforceable or otherwise and whether made on one's own account or with any other person) or by any other means:~~

~~**Article 38** The following actions shall not be deemed to be activities prohibited by Article 36 of the Articles of Association:~~

- ~~(I) the provision of financial assistance by the Company is given in good faith and in the interests of the Company, and the principal purpose of which is not for the acquisition of Shares in the Company, or the giving of such financial assistance is an incidental part of a master plan of the Company;~~
- ~~(II) the lawful distribution of the Company's assets by way of dividend;~~
- ~~(III) the distribution of share dividends in the form of Shares;~~
- ~~(IV) a reduction of registered capital, repurchase of Shares or adjustment of the equity structure in accordance with the Articles of Association;~~
- ~~(V) the provision of loans by the Company within its scope of business and for its normal business activities, provided that the net assets of the Company are not thereby reduced or that the financial assistance is provided out of the distributable profits of the Company despite the ensuing reduction of the assets;~~
- ~~(VI) contributions made by the Company to the Employee Shareholding Plan, provided that the net assets of the Company are not thereby reduced or that the financial assistance is provided out of the distributable profits of the Company despite the ensuing reduction of the assets.~~

Section 54 Share Certificates and Register of Shareholders

~~**Article 39** Share certificates are certificates issued by the Company to certify the Shares held by Shareholders. The Company's Shares are registered shares.~~

~~**Article 32** The H Shares certificates of the Company shall contain the following items:~~

- ~~(I) the name of the Company;~~
- ~~(II) the date of establishment of the Company;~~
- ~~(III) the type and par value of Shares and the number of Shares represented;~~
- ~~(IV) the serial number of the share certificate;~~

- (V) other items required by the Company Law applicable laws and regulations and the stock exchange where the Company's Shares are listed.

The overseas listed Shares issued by the Company may take the form of depositary receipts or other derivatives of Shares in accordance with the laws of the place where the Company's Shares are listed and the practice of the registration and depository of securities.

Article 40 During the period in which the H Shares are listed in Hong Kong, the Company shall ensure that its documents relating to the H Shares include the following statements and shall instruct and cause its share registrar to refuse to register the subscription, purchase or transfer of its Shares in the name of any individual holder unless and until such individual holder submits to the share registrar a duly signed form in respect of such Shares, which shall include the following statements:

- (I) the purchaser of the Shares and the Company and each of its Shareholders, and the Company and each of the Shareholders, agree to comply with and conform to the provisions of the Company Law, the Special Provisions and other relevant laws, administrative regulations and the Articles of Association.
- (II) the purchaser of the Shares and the Company, each Shareholder, Director, Supervisor, general manager and other senior management personnel of the Company agree, and the companies acting on behalf of the Company and each Director, Supervisor, general manager and other senior management personnel, agrees with each Shareholder, that any dispute or claim arising out of the Articles of Association or out of rights and obligations under the Company Law or other relevant laws or administrative regulations relating to the affairs of the Company shall be submitted to arbitration for settlement in accordance with the provisions of the Articles of Association, and that any arbitration request submitted shall be deemed to authorize the arbitral tribunal to conduct a public hearing and publish its award, which shall be final.
- (III) The purchaser of the Shares agrees with the Company and each of its Shareholders that the Shares of the Company are freely transferable by their holders.
- (IV) The purchaser of the Shares authorizes the Company to enter into a contract with each of the Directors, general manager and other senior management personnel on its behalf, whereby such Directors, general manager and other senior management personnel undertake to observe and perform their duties to the Shareholders as provided in the Articles of Association.

~~Article 41~~**Article 33** The ~~share certificate~~**Company's H Shares** shall be signed by the chairman of the Board. If the securities regulatory authority or the stock exchange of the place where the Company's **H Shares** are listed requires the signature of other senior management personnel of the Company, it shall also be signed by other relevant senior management personnel. The ~~H Shares~~**Share certificate** shall become effective after the Company's seal is affixed or stamped in printed form. The affixing of the Company's seal on the ~~H Shares~~**Share certificates** shall be authorized by the Board. The signature of the chairman of the Board or other relevant senior management personnel on the ~~H Shares~~**share certificates** may also be in printed form.

Under the conditions of paperless issuance and trading of the Company's Shares, separate regulations of the securities regulatory authority and the stock exchange of the place where the Company's Shares are listed shall apply.

~~Article 42~~**Article 34** The Company shall establish a register of Shareholders based on the certificates provided by the security registration authority. The register of Shareholders shall be the sufficient evidence of the Shareholders' shareholding in the Company, unless there is evidence to the contrary. **The Company shall establish a register of Shareholders based on the certificates provided by the security registration authority and according to the requirements of applicable laws and regulations. The register of Shareholders shall be the sufficient evidence of the Shareholders' shareholding in the Company.**

The Company shall keep a register of Shareholders containing the following particulars:

- ~~(I)~~ the name, address (or domicile), occupation or nature of each Shareholder;
- ~~(II)~~ the class and number of Shares held by each Shareholder;
- ~~(III)~~ the amount paid-up or payable in respect of Shares held by each Shareholder;
- ~~(IV)~~ the share certificate numbers of the Shares held by each Shareholder;
- ~~(V)~~ the date on which each Shareholder was registered in the register as a Shareholder;
- ~~(VI)~~ the date on which any Shareholder ceased to be a Shareholder.

~~Article 43~~**Article 35** The Company may, in accordance with the mutual understanding and agreements made between the competent securities authorities of the State Council and overseas securities regulatory authorities, maintain its register of Shareholders of H Shares outside the PRC and appoint overseas agent(s) to manage such register. The original register of Shareholders of H Shares listed in Hong Kong shall be maintained in Hong Kong.

~~A duplicate of the register of Shareholders of H Shares shall be made and maintained at the Company's domicile. The appointed overseas agent(s) shall ensure at all times that the original and the duplicate registers of Shareholders of H Shares are consistent.~~

~~In the case of inconsistencies between any information recorded in the original register of Shareholders of H Shares and that of the duplicate register, the original register shall prevail.~~

~~**Article 44**~~**Article 36** The Company shall have a complete register of Shareholders.

The register of Shareholders shall comprise the following parts:

- (I) a register of Shareholders maintained at the Company's domicile, which shall be the register of all Shareholders other than those registered in accordance with paragraphs (II) and (III) of this Article;
- (II) a register of Shareholders of H Shares maintained at the stock exchange of the place of overseas listing;
- (III) such registers of Shareholders maintained in such other places as the Board may deem necessary for listing purposes.

~~**Article 45** Different parts of the register of Shareholders shall not overlap. No transfer of Shares registered in one part of the register of Shareholders shall, during the continuance of the registration of those Shares, be registered in any other parts of the register of Shareholders.~~

~~Alteration or rectification of each part of the register of Shareholders shall be made in accordance with the laws of the place where that part of the register of Shareholders is kept.~~

~~**Article 46**~~**Article 37** Where laws, regulations, the security regulatory authority or the stock exchange of the place where the Company's Shares are listed provide otherwise for the period during which the registration of the transfer of Shares is suspended before the general meeting or the base date of the Company's decision to distribute dividends, such provisions shall apply.

~~**Article 47** Any person who has objection in relation to the register of Shareholders and seeks to register his/her name on the register of Shareholders or to delete his/her name from the register of Shareholders may in each case apply to a court of competent jurisdiction to rectify the register of Shareholders.~~

~~**Article 48** Any Shareholder who is registered on the register of Shareholders or any person who seeks to register his/her name on the register of Shareholders may, if he/she has lost his/her share certificate (the "Original Certificate"), apply to the Company for a new share certificate in respect of the Shares (the "Relevant Shares").~~

~~A Shareholder of domestic Shares who has lost his/her share certificate and applies for a replacement certificate to be issued shall comply with the relevant provisions of the Company Law.~~

Article 38 A Shareholder of H Shares who has lost his/her share certificate and applies for a replacement certificate to be issued may do so in accordance with the laws, the rules of the stock exchange or other relevant requirements of the place where the original register of Shareholders of H Shares is maintained.

~~If a Shareholder of H Shares of the Company has lost his/her share certificates and applies for their replacement, the issue of replacement share certificates to that Shareholder shall comply with the following requirements:~~

- ~~(I) The applicant shall submit an application in standard form as prescribed by the Company accompanied by a notarial document or statutory declaration. The notarial document or statutory declaration shall specify the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as a statement declaring that no other person shall be entitled to request to be registered as the Shareholder in respect to the Relevant Shares.~~
- ~~(II) No statement has been received by the Company from any person other than the applicant for having his/her name registered as a Shareholder of the Relevant Shares before the Company came to a decision to issue the replacement share certificates.~~
- ~~(III) The Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the Board. The announcement shall be made at least once every 30 days over a period of 90 days.~~
- ~~(IV) The Company shall, prior to the publication of the announcement of its intention to issue a replacement certificate, deliver to the stock exchange on which it is listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at its premises. The announcement shall be exhibited at the premises of the stock exchange for a period of 90 days. In case an application to issue a replacement share certificate has been made without the consent of the registered Shareholders of the Relevant Shares, the Company shall send by post to such registered Shareholders a copy of the announcement to be published.~~
- ~~(V) If, upon expiration of the 90-day period for announcement and exhibition referred to in sub = paragraphs (III) and (IV) of this Article, the Company has not received from any person any objection to the issuance of a replacement share certificate, the Company may issue a replacement share certificate to the applicant according to his/her application.~~

~~(VI) Where the Company issues a replacement share certificate under this Article, it shall forthwith cancel the Original Certificate and enter the cancellation and replacement issue into the register of Shareholders accordingly.~~

~~(VII) All expenses relating to the cancellation of the Original Certificate and the issuance of a share replacement certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable undertaking is provided by the applicant therefor.~~

~~**Article 49** After the Company has issued a replacement share certificate in accordance with the Articles of Association, the name of a bona fide purchaser who obtains the new share certificate or a person (if a bona fide purchaser) whose name is subsequently entered in the register of Shareholders in respect of such Shares shall not be removed from the register of Shareholders.~~

~~**Article 50** The Company shall not be liable for any damages suffered by any person by reason of the cancellation of the Original Certificate or the issue of the replacement share certificate, unless the claimant can prove that the Company has acted fraudulently.~~

Chapter 4 Shareholders and General Meeting

Section 1 Shareholders

~~**Article 51** The Company's Shareholders are persons who lawfully hold Shares of the Company and whose names are registered on the register of Shareholders.~~

~~**Article 39** Shareholders shall enjoy rights and assume obligations according to the class of Shares held by them. Shareholders holding the same class of Shares shall enjoy equal rights and assume the same obligations.~~

~~If more than two persons are registered as joint holders of any of the Shares, they shall be deemed joint owners of the Relevant Shares, but shall be subject to the following terms:~~

~~(I) the Company shall not register more than 4 persons as the joint holders of any Shares;~~

~~(II) all joint holders of any Shares shall assume joint liability to pay for all amounts payable in respect of the Relevant Shares;~~

~~(III) if any of the joint holders dies or is deregistered, only the other surviving joint holders shall be deemed to be entitled to the Relevant Shares by the Company. However, the Board has the power to require a death or deregistration certificate as it thinks fit for the purpose of revising the register of Shareholders;~~

~~(IV) in respect of the joint Shareholders of any Shares, only the joint Shareholder whose name stands first in the register of Shareholders has the right to receive certificates of the Relevant Shares from the Company or receive notices of the Company. Any notice delivered to the aforementioned Shareholder shall be deemed to have been delivered to all the joint Shareholders of the Relevant Shares. Any of the joint Shareholders may sign a proxy form, provided that if more than one joint Shareholders attend a meeting in person or by proxy, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint Shareholder(s). For this purpose, seniority will be determined by the order in which the names stand in the register of Shareholders of the Company in respect of the Relevant Shares.~~

~~Article 52~~**Article 40** When the Company convenes a general meeting, distributes dividends, commences liquidation or participates in other activities which require the confirmation of shareholdings **Shareholders' identities**, the Board **or the convener of the general meeting** shall fix a date as the date for the determination of shareholdings. Shareholders whose names appear on the register of Shareholders at the ~~end~~**closing** of that date will be the Shareholders of the Company **with related interests**.

~~Article 53~~**Article 41** The Company shall, in accordance with the provisions of the Articles of Association, protect the Shareholders' rights to know, participate, vote and inquire on the necessary affairs of the Company to the maximum extent.

~~Article 54~~**Article 42** The holders of ordinary Shares of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of profit distribution in proportion to the number of Shares held by them;
- (II) to request, convene, host, attend or appoint proxies to attend general meetings, **to speak at the general meeting** and exercise corresponding voting rights in accordance with laws;
- (III) to supervise the operation of the Company and to put forward proposals or raise inquiries;
- (IV) to transfer, donate, or pledge Shares held by them in accordance with the provisions of laws, administrative regulations, **departmental rules** and the Articles of Association;

(V) to inspect the Articles of Association, the register of Shareholders, corporate bond counterfoils, minutes of general meetings, resolutions of meetings of both the Board of Directors and the Board of Supervisors as well as financial and accounting reports disclosed to the public to obtain relevant information in accordance with the provisions of the Articles of Association, including:

1. to receive a copy of the Articles of Association upon payment of charges at cost;

2. to inspect and copy upon payment of a reasonable charge of:

(1) copies of all parts of the register of Shareholders;

(2) personal information of the Directors, Supervisors, Managers and other senior management of the Company, including:

(a) current and previous names and aliases;

(b) main address (domicile);

(c) nationality;

(d) full-time and all other part-time occupations and duties;

(e) identification documents and their numbers.

(3) the status of the Company's share capital;

(4) the latest audited financial statements of the Company, and the report of the Board of Directors, auditor's report and report of the Board of Supervisors;

(5) special resolutions of the Company;

(6) reports of the aggregate par value, number of Shares, and the highest and lowest prices paid by the Company in respect of each class of Shares bought back since the last accounting year, as well as all the expenses paid by the Company thereon (with a breakdown by domestic Shares and foreign Shares);

(7) minutes of general meetings, and resolutions of meetings of both the Board of Directors and the Board of Supervisors (for Shareholders' inspection only);

(8) corporate bond counterfoils.

~~The Company shall keep at its address in Hong Kong the aforesaid documents in items (1) to (8) other than those in item (2) above and other applicable documents in accordance with the requirements of the Hong Kong Listing Rules for free inspection by the public and holders of H Shares.~~

~~The Company may refuse any inspection or reproduction request which involves commercial secrets and inside information of the Company and personal privacy of relevant personnel.~~

- (VI) in the event of the termination or liquidation of the Company, to participate in the distribution of the residual property of the Company in proportion to the number of Shares held;
- (VII) to demand the Company to acquire their Shares (for Shareholders who disagree with the resolutions adopted at a general meeting in relation to the merger or division of the Company);
- (VIII) such other rights as stipulated by laws, administrative regulations, departmental rules, the listing rules of the place where the Company's Shares are listed or the Articles of Association.

~~The Company shall not, with the sole reason that a person who owns direct or indirect interests therein has failed to disclose his/her interests to the Company, exercise any power to freeze or otherwise impair any of the rights attached to the Shares held by him/her.~~

~~**Article 55**~~**Article 43** Where Shareholders request for inspection of the relevant information or demand for materials mentioned in the preceding Article, they shall provide the Company with written documents evidencing the class and number of Shares of the Company held by them. Upon verification of the Shareholder's identity, the Company shall provide information requested by such Shareholder.

~~**Article 56**~~**Article 44** Shareholders shall have the rights to protect their lawful rights through civil action or other legal means in accordance with laws and administrative regulations.

~~**Article 57**~~**Article 45** If a resolution passed at a general meeting or meeting of the Board of Directors of the Company violates laws or administrative regulations, Shareholders shall have the right to submit a petition to the People's Court to render the same invalid.

If the convening procedures or voting method of a general meeting or meeting of the Board of Directors violate laws, administrative regulations or the Articles of Association, or the contents of any resolution violate the Articles of Association, Shareholders shall have the right to submit a petition to the People's Court to revoke the resolution within 60 days from the date on which such resolution is adopted.

~~Article 58~~Article 46 If a Director or a senior management member contravenes the provisions of laws, administrative regulations or the Articles of Association when carrying out his/her duties in the Company and results in losses to the Company, Shareholders individually or collectively holding more than 1% of Shares for over 180 consecutive days, have the right to request the Board of Supervisors in writing to commence litigation at the People's Court. If a Supervisor contravenes the provisions of laws, administrative regulations and the Articles of Association when carrying out his/her duties in the Company and results in losses to the Company, Shareholders can request the Board of Directors in writing to commence litigation at the People's Court.

If the Board of Supervisors or the Board of Directors refuses to commence litigation after receiving the Shareholders' written request in the preceding paragraph or fails to commence litigation within 30 days of receiving the request, or the situation is so urgent that no immediate commencement of litigation will cause irreparable losses to the Company, the Shareholders under the previous paragraph may commence litigation in their own names at the People's Court in the interest of the Company.

If any other person contravenes the legal interests of the Company and leads to the losses of the Company, a Shareholder under the first paragraph of this Article may commence litigation at the People's Court in accordance with the two preceding paragraphs.

~~Article 59~~Article 47 If a Director or a senior management member contravenes the provisions of laws, administrative regulations or the Articles of Association and results in losses to Shareholders, Shareholders may commence litigation at the People's Court.

~~Article 60~~Article 48 Holders of ordinary Shares of the Company shall undertake the following obligations:

- (I) to abide by laws, administrative regulations and the Articles of Association;
- (II) to pay subscription fees based on the Shares subscribed by them and the method of capital contribution;
- (III) not to withdraw Shares except in such circumstances as prescribed by laws and regulations;
- (IV) not to abuse Shareholders' rights to damage the interests of the Company or other Shareholders; and not to abuse the independent status of the Company as a legal person and the limited liabilities of the Shareholders to damage the interests of the creditors of the Company;

Shareholders of the Company who abuse their Shareholders' rights and result in losses to the Company or other Shareholders shall bear compensation in accordance with laws.

Shareholders of the Company who abuse the independent status of the Company as a legal person and the limited liabilities of the Shareholders to escape from debts and thereby seriously damage the interests of the Company's creditors shall jointly and severally bear the Company's debts.

- (V) other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders shall not bear any liability for further contribution to share capital other than the conditions agreed to by the subscriber of such Shares on subscription.

~~Article 61~~**Article 49** Where a relevant Shareholder and a de facto controller pledges any Shares of the Company in his/her possession, he/she shall notify the Company in a timely manner and report the same to the stock exchange where the Shares of the Company are listed under the listing rules of the place where the Shares of the Company are listed for disclosure.

~~Article 62~~**Article 50** The controlling Shareholder or the de facto controller of the Company shall not use their connected relationship to prejudice the interests of the Company. Where he/she violates such provisions and results in loss to the Company, he/she shall be liable to compensate the Company for the losses thereof.

The controlling Shareholder and the de facto controller of the Company have the obligation of honesty towards the Company and other Shareholders of the Company. The controlling Shareholder shall exercise his/her rights as a capital contributor strictly in accordance with laws. The controlling Shareholder shall not make use of methods such as the distribution of profits, restructuring of assets, external investment, misappropriation of assets, guarantee for borrowings to damage the legal rights and interests of the Company and other Shareholders of the Company, and he/she shall not make use of his/her controlling position to damage the interests of the Company and other Shareholders of the Company.

~~Article 63~~ In addition to the obligations imposed by laws, administrative regulations or the Hong Kong Listing Rules, controlling Shareholders may not, in the exercise of their Shareholders' rights, make decisions prejudicial to the interests of all or part of the Shareholders as a result of the exercise of their voting rights on the issues set forth below:

- (I) ~~to relieve a Director or Supervisor of his/her duty to act honestly in the best interest of the Company;~~
- (II) ~~to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another person), in any form, of the Company's assets, including (without limitation to) any opportunities beneficial to the Company;~~
- (III) ~~to approve the expropriation by a Director or Supervisor (for his/her own benefit or for the benefit of another person) of the individual rights of other Shareholders, including~~

~~(without limitation to) rights to distributions and voting rights save pursuant to a restructuring of the Company submitted at a general meeting for approval in accordance with the Articles of Association.~~

Section 2 General Provisions of the General Meeting

~~Article 64~~**Article 51** The general meeting is the organ of authority of the Company and shall exercise the following powers:

- (I) to decide on the Company's operational objectives and investment plans;
- (II) to elect and replace the Directors and Supervisors that are not employee representatives, and to decide on the matters relating to the remuneration of Directors and Supervisors;
- (III) to consider and approve the reports of the Board of Directors;
- (IV) to consider and approve the reports of the Board of Supervisors;
- (V) to consider and approve the Company's annual financial budgets and final accounts;
- (VI) to consider and approve the Company's profit distribution and loss recovery plans;
- (VII) to resolve on any increase or reduction of the registered capital and the issuance of any kind of Shares, warrants and other similar securities by the Company;
- (VIII) to resolve on the issuance of debentures by the Company;
- (IX) to resolve on merger, division, dissolution and liquidation of the Company or change of its corporate form;
- (X) to amend the Articles of Association;
- (XI) to consider the proposal by a Shareholder who holds, individually or in aggregate, more than 3% of the Shares with voting rights of the Company;
- (XII) to resolve on the appointment or dismissal of accounting firms by the Company;
- (XIII) to consider and approve the guarantee matters specified in Article ~~65~~**46** of the Articles of Association;
- (XIV) to consider the acquisition or disposal of significant assets within one year which accounts for more than 30% of the latest audited total assets of the Company;

- (XV) to consider and approve the changes in the use of proceeds;
- (XVI) to consider the equity incentive scheme;
- (XVII) to consider other matters which, according to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association, should be resolved by the Shareholders at general meetings.

The abovementioned powers of the general meeting may not be exercised by the Board of Directors or other bodies and individuals on their behalf by delegation, but the Board of Directors or Directors may be authorized to handle or implement relevant resolutions when the general meeting votes on and approves relevant resolutions.

Article 65~~Article 52~~ The following external guarantees to be provided by the Company shall be considered and approved at the general meeting:

- (I) Any provision of guarantee, where the total amount of external guarantees provided by the Company and its controlled subsidiaries reaches or exceeds 50% of the latest audited net assets;
- (II) Provision of guarantee to anyone whose liability-asset ratio exceeds 70%;
- (III) Provision of a single guarantee the amount of which exceeds 10% of the latest audited net assets;
- (IV) Any guarantee, the amount of which on a cumulative basis for twelve consecutive months, exceeds of 30% of the latest audited total assets of the Company;
- (V) Provision of guarantee to Shareholders, de facto controllers and their connected parties;
- (VI) Other guarantees required to be considered at the general meeting according to laws, administrative regulations, normative documents and the Articles of Association;
- (VII) Other guarantees provided by the stock exchange where the Company's Shares are listed or the Articles of Association.

When the general meeting considers the matters related to the guarantee in item (IV) of the preceding paragraph, it shall be approved by more than two-thirds of the voting rights held by Shareholders present at the meeting.

When the general meeting considers the matters related to providing guarantee for any Shareholders, de facto controller or other connected persons, the said Shareholder or the Shareholders controlled by the said de facto controller shall abstain from voting on the

proposal, and the proposal shall be subject to approval by more than half of the voting rights held by the other attending Shareholders.

The “external guarantee” mentioned in the Articles of Association refers to the guarantee provided by the Company for other parties, including the guarantee provided by the Company to its controlling subsidiaries. The “total amount of the external guarantees provided by the Company and its controlling subsidiaries” refers to the sum of the total amount of the external guarantees provided by the Company (including the guarantees provided to its controlling subsidiaries) and the total amount of the external guarantees provided by the controlling subsidiaries.

Where the Company provides a guarantee for its wholly-owned subsidiary, or for a holding subsidiary and other Shareholders of the holding subsidiary provide a guarantee in the same proportion of their rights and interests, without prejudice to the interests of the Company, application of the provisions of the items (I) to (III) of this Article may be exempted.

~~**Article 66**~~ The Company shall not, without the prior approval of the general meeting, enter into any contract with any person other than a Director, a Supervisor, general manager and other senior management personnel whereby the management of the whole or any substantial part of the business of the Company is to be handed over to such person.

~~**Article 67**~~**Article 53** The Company shall perform corresponding approval decision procedures and make disclosure of the transactions required to be disclosed by the stock exchange where the Shares of the Company are listed in accordance with the Hong Kong Listing Rules.

~~**Article 68**~~**Article 54** General meetings comprise annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once every year within six months after the conclusion of the previous accounting year.

~~**Article 69**~~**Article 55** The Board shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

- (I) when the number of Directors is less than the number as stipulated in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (II) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-in share capital;
- (III) under the request of Shareholder(s) individually or in aggregate holding more than 10% of the Company’s Shares;
- (IV) when the Board of Directors considers necessary;
- (V) when the Board of Supervisors proposes to convene a meeting;

- (VI) when more than 2 independent non-executive Directors so request;
- (VII) other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

~~Article 70~~**Article 56** The Company shall convene a general meeting at the place where the Company domiciled or otherwise specified in the notice of the meeting. The general meeting shall have a venue and be held on-site. Without violating laws and regulations and the mandatory provisions of the listing rules of where the Company is listed, the Company may also provide convenience for Shareholders to attend the general meeting through the Internet **participation, online voting** or other means. Shareholders who participate the meeting in the aforesaid manner shall be deemed to be presented.

Section 3 Calling of General Meetings

~~Article 71~~**Article 57** A general meeting shall be convened by the Board of Directors, and presided over by the chairman of the Board of Directors. In the event that the chairman cannot or does not perform his/her duties, a Director nominated by more than half of the Directors shall preside over the meeting.

Where the Board of Directors cannot or does not perform its duties to convene the general meeting, the Board of Supervisors shall convene and preside over such meeting in a timely manner. If the Board of Supervisors fails to convene and preside over such meeting, Shareholders individually or in aggregate holding 10% or more of the Company's shares for more than 90 consecutive days may unilaterally convene and preside over a general meeting.

The Board of Directors, or the Board of Supervisors or Shareholders responsible for convening the general meeting in accordance with the provisions of the Company Law or the Articles of Association, shall be the convener of the general meeting.

~~Article 72~~**Article 58** The Board of Supervisors shall be entitled to make a proposal in writing to the Board of Directors on convening an extraordinary general meeting. The Board of Directors shall give a written reply on whether to agree to convene such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the Board of Supervisors.

Where the Board of Directors disagrees to convene such a meeting, or fails to reply within 10 days upon receipt of the proposal, it shall be deemed that the Board of Directors cannot or

does not perform its duty of convening the general meeting, and the Board of Supervisors may convene and preside over it by itself.

~~Article 73~~Article 59 Shareholder(s) individually or in aggregate holding more than 10% of Shares of the Company are entitled to request the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors shall, in accordance with the requirements of laws, administrative regulations and the Articles of Association, reply with a written opinion to state whether it agrees to convene an extraordinary general meeting within 10 days upon receipt of the request.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the Relevant Shareholders.

Where the Board of Directors disagrees to convene the extraordinary general meeting, or does not reply within 10 days upon receipt of the proposal, Shareholders individually or in aggregate holding more than 10% of the Shares of the Company are entitled to request the Board of Supervisors in writing to convene an extraordinary general meeting.

Where the Board of Supervisors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon receiving the request. Any changes made to the original proposal in the notice shall be agreed by the Relevant Shareholders.

If the Board of Supervisors fails to issue a notice of general meeting within the prescribed time limit, it shall be deemed that the Board of Supervisors does not convene and preside over the general meeting, and Shareholders holding individually or in aggregate more than 10% of the Shares of the Company for more than 90 consecutive days can convene and preside over the general meeting by themselves.

~~Article 74~~Article 60 Where the Board of Supervisors or Shareholders decide to convene a general meeting on their own, they must notify the Board of Directors in writing. Before the resolution of the general meeting is made, the Shareholders convening the meeting shall hold no less than 10% of the Shares.

~~Article 75~~Article 61 With regard to the general meeting convened by the Board of Supervisors or Shareholders on their own, the Board of Directors and the secretary to the Board of Directors shall provide assistance. The Board of Directors shall provide relevant registers of members.

~~Article 76~~Article 62 The Company shall bear costs and expenses necessary for the general meeting convened by the Board of Supervisors or Shareholders on their own ~~and such amount shall be charged from the amount owed by the Company to the incompetent Directors.~~

Section 4 Proposal and Notice of General Meeting

~~Article 77~~**Article 63** The contents of a proposal shall be within the functions and powers of the general meeting, shall have definite issues for discussion and specific resolutions, and shall comply with the relevant provisions of the laws, administrative regulations, Hong Kong Listing Rules and the Articles of Association.

~~Article 78~~**Article 64** When the Company convenes a general meeting, the Board of Directors, the Board of Supervisors and the Shareholders individually or in aggregate holding more than 3% of the Company's Shares shall have the right to make proposals to the Company.

Shareholders individually or in aggregate holding more than 3% of the Company's Shares may submit an interim proposal to the convener in writing 10 days before the general meeting. The convener shall issue a supplementary notice of general meeting within two days after receiving the proposal with the contents of the interim proposal attached.

Except for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of general meeting or add new proposals after issuing the notice of general meeting.

For proposals that are not listed in the notice of general meeting or that do not meet the requirements of Article ~~75~~7 of the Articles of Association, the general meeting shall not vote and make resolutions thereon.

~~Article 79~~**Article 65** Where the general meeting is convened by the Company, it shall issue a written notice at least ~~20 clear working days~~**21 days** prior to the annual general meeting or at least ~~10 clear working days or 15 days (whichever is longer)~~ prior to the extraordinary general meeting, to notify all the registered Shareholders of the matters proposed to be considered as well as the date and place of the meeting.

Where laws, regulations, the securities regulatory authority of the place where the Company's Shares are listed or the stock exchange provide otherwise, such provisions shall prevail.

~~Article 80~~**Article 66** Unless otherwise stipulated in the Articles of Association, the notice of general meeting shall be sent to Shareholders (regardless of whether they have voting rights at the general meeting) by hand or mail with prepaid postage, and the address of the recipient shall be the address registered in the register of Shareholders.

For domestic Shareholders, the notice of general meeting may also be made by public announcement. **The announcement to domestic Shareholders shall be published in the media that meets the conditions stipulated by the CSRC.**

~~The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authority of the State Council. Once the announcement is made, all domestic Shareholders shall be deemed to have received the notice of the relevant general meeting.~~

The notice of general meeting served on the holders of H Shares may be published through the websites of the Hong Kong Stock Exchange and the Company. Once the announcement is made, all holders of overseas listed foreign Shares shall be deemed to have received the notice of the relevant general meeting.

~~Article 81~~ According to the written reply received prior to the general meeting, the Company shall calculate the number of voting Shares held by the Shareholders who will attend the meeting. If the voting Shares held by the attending Shareholders account for more than half of total voting Shares, the Company may hold a general meeting; if not, the Company shall, within five (5) days, inform the Shareholders by issuing an announcement of the matters to be considered and the date and venue of the meeting for another time. The Company may hold a general meeting upon such notice.

~~Matters not included in the notice shall not be decided at extraordinary general meetings.~~

~~Article 82~~Article 67 The notice of general meeting shall be in writing and include the following information:

- (I) the time, place and duration of the meeting;
- (II) matters and proposals to be submitted to the meeting for consideration;
- ~~(III) provision to Shareholders with information and explanations necessary for them to make sound decisions on the matters to be discussed; this principle includes (but is not limited to) the provision of the specific terms and contracts (if any) of the proposed transactions and detailed explanations about the causes and effects when the Company proposes mergers, repurchase of Shares, capital reorganization or other reorganization;~~
- ~~(IV) a disclosure of the nature and extent of the material interest of any Director, Supervisor, manager and other senior management personnel in the matters to be discussed and the difference of the effects of the proposed matters on them in their capacity as Shareholders from the effects on other Shareholders of the same class;~~
- ~~(V) the full text of any special resolutions to be passed at the meeting;~~
- ~~(VI)~~(III) a conspicuous statement that all Shareholders are entitled to attend and vote at the meeting and may appoint proxies to do so on their behalf, and such proxies need not to be Shareholders;
- ~~(VII)~~(IV) the equity registration date of Shareholders entitled to attend the general meeting;

~~(VIII) the name and phone number of the permanent contact person for conference affairs;~~

~~the time and place of delivering the power of attorney for proxy voting at the meeting.~~

~~(IX)(V) **other items required by laws, administrative regulations, departmental rules or the Hong Kong Listing Rules.**~~

The interval between the equity registration date and the meeting date shall be no more than 7 working days.

~~**Article 83**~~**Article 68** If the election of Directors or Supervisors is proposed to be discussed at a general meeting, the notice of the meeting shall adequately specify the detailed information on the Director or Supervisor candidates, which shall at least include:

- (I) personal particulars, including academic qualifications, working experience and concurrent positions;
- (II) whether or not such candidate has any connected relationship with the Company, its controlling Shareholders and de facto controller;
- (III) the number of Shares of the Company held by such candidate;
- (IV) whether they have been punished by the CSRC and other relevant authorities and disciplined by the stock exchange;
- (V) Other information required to be disclosed according to the requirements of the securities regulatory authorities of the place where the Shares of the Company are listed and the Listing Rules.

Save for the election of Directors and Supervisors by cumulative voting, each candidate for a Director or a Supervisor shall be proposed via a single proposal.

~~**Article 84**~~**Article 69** After giving the notice of general meeting, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without justifiable reasons. In case of a delay or cancellation, the convener shall make announcement at least 2 working days prior to the original date of convening the meeting and explain the reasons.

Section 5 Convening of General Meetings

~~Article 85~~Article 70 The Board of the Company and any other conveners shall take necessary measures to guarantee the good order of the general meeting. Measures shall be taken to deter any act disturbing the general meeting, picking quarrels and provoking troubles and infringing the legal rights and interests of any Shareholder, and such act shall be reported in a timely manner to the relevant departments for investigation and punishment.

~~Article 86~~Article 71 All Shareholders listed in the register on the Share registration date or the proxies thereof shall be entitled to attend the general meeting, and exercise voting rights pursuant to relevant laws, regulations, the Hong Kong Listing Rules and the Articles of Association.

Shareholders may attend a general meeting in person, or may entrust other proxies to attend and vote on their behalf.

Any Shareholders entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether or not a Shareholder) as their proxies to attend and vote on their behalf. A proxy so appointed shall be entitled to exercise the following rights in accordance with the authorization from that Shareholder:

- (I) the Shareholder's right to speak at the meeting;
- (II) the right to demand a poll, whether on his/her own or together with others;
- (III) unless otherwise required by applicable securities listing rules or other securities laws and regulations, to exercise the right to vote by a show of hands or by poll; however, if more than one proxy is appointed by a Shareholder, such proxies shall only exercise the right to vote on a poll.

~~Article 87~~Article 72 Natural person Shareholders who attend the meeting in person shall present their ID cards or other valid identification proofs; if a proxy is entrusted to attend the meeting, the proxy shall present his/her ID card and the Shareholder's power of attorney.

Non-natural person Shareholders shall be represented at the meeting by the legal representative/executive partner/**representative of executive partner** or the proxy authorized by the resolution of the Board of Directors/other decision-making bodies (**being deemed to be in person**). To attend the meeting, legal representatives/executive partners/**representative of executive partner** shall present their ID cards and valid certificate proving their qualification as legal representatives/executive partners; if a proxy is entrusted to attend the meeting, the proxy shall present his/her ID card and the written power of attorney issued by the Board of Directors/other decision-making bodies of the Shareholder according to law.

~~Article 88~~Article 73 The power of attorney issued by the Shareholder authorizing his or her proxy to attend the general meeting should contain the following:

- (I) the name of the proxy;
- (II) whether the proxy has any voting right;
- (III) instruction to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting;
- (IV) whether the proxy has the right to vote on the provisional resolution that may be included into the agenda of the general meeting;
- (V) the date of issue and validity period of the power of attorney;
- (VI) signature (or seal) of the appointer. If the appointer is a corporate Shareholder, the seal of the corporate shall be affixed;
- (VII) if there are more than one proxy, the power of attorney shall specify the number of Shares each proxy represents.

~~Article 89~~Article 74 If the Shareholder is a recognized clearing house defined by relevant regulations formulated from time to time in Hong Kong (or its nominee), such Shareholder shall be entitled to appoint one or more persons as it deems fit to act on its behalf at any general meeting ~~or any other class meetings~~, provided in the event of more than one person are authorized, the power of attorney shall specify the number and class of Shares represented by each person so authorized and shall be executed by the authorized officer of the recognized clearing house. Such persons so authorized shall be entitled to exercise the rights on behalf of the recognized clearing house (or its nominee) without presenting evidence of their shareholding, notarized authorization and/or further proof showing their due authorization as if they were individual Shareholders of the Company.

~~Article 90~~Article 75 Any blank instrument of proxy sent to a Shareholder by the Board for appointing a proxy shall be in such form to enable the Shareholder to freely instruct the proxy to vote for or against the related resolution(s), and to instruct separately in respect of each resolution dealing with business to be transacted at the meeting. Such form shall contain a statement that in default of such instructions, the proxy may vote as he/she thinks fit.

~~Article 91~~Article 76 A vote given by a proxy in accordance with the instructions of an instrument of proxy shall be valid notwithstanding the previous death or loss of capacity of the appointer or revocation of the proxy or power of authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid has been received by the Company before the commencement of the meeting.

~~Article 92~~Article 77 The instrument appointing a proxy shall be deposited at the Company's domicile or such other place as specified in the notice of the meeting at least 24 hours before the time appointed for holding the meeting at which the power of attorney proposes to vote, or 24 hours before the time appointed for taking of the poll. Where such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority is required to be notarized. A notarized copy of that power of attorney or other authority together with the instrument appointing a proxy is required to be deposited at the Company's domicile or such other place as specified in the notice of the meeting.

If the appointer is a legal person, the legal representative or such person authorized by the Board or other decision-making body to act as its representative may attend the general meeting of the Company.

The Company has the right to demand the proxy attending on behalf of the Shareholder to present his/her identity card.

If a legal person Shareholder appointed a representative to attend the meeting, the Company has the right to demand the representative to present his/her identity certification and a ~~notarized copy of resolution or power of attorney issued by the Board or other authorities of the legal person Shareholder (other than recognized clearing house or its nominee) appointing such representative.~~

~~Article 93~~Article 78 The register of attendees of the general meeting shall be prepared by the Company. Such register shall specify information such as the name of the persons (or units) attending the general meeting, identity card number, residential address, number of Shares or voting Shares held, name of the persons (or units) the proxy represents.

~~Article 94~~Article 79 The convener shall verify the qualification of Shareholders with the register of members provided by the securities depository and clearing authority, and shall register the name of the Shareholders as well as the number of their voting Shares. Such registration shall be ceased prior to the announcement by the chairman of the general meeting the number of Shareholders and their proxies present at the meeting and the total number of their respective voting Shares.

~~Article 95~~Article 80 When a general meeting is held, all Directors, supervisors and secretary to the Board of the Company shall attend the meeting, and the general manager and other senior management members shall also be present at the meeting.

~~Article 96~~Article 81 A general meeting shall be convened and presided over by the chairperson of the Board. Where the chairperson of the Board is unable or fails to perform his/her duties, the vice chairperson of the Board shall preside over the meeting. Where the vice chairperson of the Board is unable or fails to perform his/her duties, the chairperson of the Board may appoint a Director of the Company to convene the meeting and preside over it on his/her behalf. In the event that no such designation is made, a Shareholder as elected from the attending Shareholders may preside over the meeting. If, for any reason, the Shareholders fail

to elect the presider of the meeting, the Shareholder (including the proxy thereof) holding the most voting Shares thereat shall preside over the meeting.

A general meeting convened by the Board of Supervisors on its own shall be presided over by the chief Supervisor. Where the chief Supervisor is unable or fails to perform his/her duties, a Supervisor shall be jointly elected by more than half of the Supervisors to preside over the meeting.

A general meeting convened by Shareholders on their own shall be presided over by a representative elected by the convener.

When a general meeting is held and the presider violates the rules of procedures of the general meeting which makes it difficult for the general meeting to continue, a person may be elected at the general meeting to act as the presider, subject to the approval of more than half of the attending Shareholders having the voting rights. If, for any reason, the Shareholders fail to elect the presider of the meeting, the Shareholder (including the proxy thereof) holding the most voting Shares thereat shall preside over the meeting.

~~Article 97~~Article 82 The Company shall formulate the rules of procedures of the general meeting to specify in details the convening and voting procedures of the general meeting, including notice, registration, deliberation of proposals, votes, vote counting, announcement of voting results, formation of resolutions, minutes and the signatures thereon. The rules of procedures of the general meeting shall be an appendix to the Articles of Association and shall be formulated by the Board and approved at the general meeting.

~~Article 98~~Article 83 At the annual general meeting, the Board and the Board of Supervisors shall report their respective work of the previous year to the general meeting.

~~Article 99~~Article 84 Directors, Supervisors and senior management members shall provide explanation and clarification to the inquiries and suggestions raised by the Shareholders at the general meeting.

~~Article 100~~Article 85 The presider of the general meeting shall, before voting, announce the number of Shareholders and their proxies attending the meeting as well as the total number of their voting Shares, and the number of Shareholders and their proxies attending the meeting and the total number of their Shares shall be subject to the registration of the general meeting.

~~Article 101~~Article 86 Meeting minutes shall be taken for general meetings, which shall be recorded by the secretary to the Board. The meeting minutes shall record the following:

- (I) the date, venue and agenda of the meeting, and the name of the convener;
- (II) the names of the presider, and the Directors, Supervisors, general manager and other senior management members attending or present at the meeting;

- (III) the number of attending Shareholders and their proxies, the total number of voting Shares they hold and the proportion of these Shares to the total number of the Shares of the Company;
- (IV) the consideration process of each proposal, summaries of the speeches and the voting result;
- (V) details of the inquiries or suggestions of the Shareholders, and the corresponding response or explanations;
- (VI) the name of vote counters and scrutineer;
- (VII) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

~~Article 102~~Article 87 The convener shall ensure the meeting minutes are true, accurate and complete. Directors, Supervisors and the secretary to the Board attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes. The meeting minutes and the signed attendance record of the Shareholders who attended in person, the proxy forms for the proxies present at the meeting and the valid information relating to the voting shall be kept together for 10 years.

~~Article 103~~Article 88 The convener shall ensure that the continuity of the general meeting until the final resolution is formed. Where the general meeting is suspended or no resolution can be made due to force majeure, or for any other special reasons, necessary measures shall be taken to resume or directly terminate the general meeting.

Section 6 Voting and Resolutions of General Meetings

~~Article 104~~Article 89 The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions.

An ordinary resolution made by the general meeting shall be passed by more than one half of the voting rights held by the Shareholders with voting rights (including proxies) present at the general meeting.

A special resolution made by the general meeting shall be passed by two-thirds of the voting rights held by the Shareholders with voting rights (including proxies) present at the general meeting.

~~Article 105~~Article 90 The following matters require the sanction of an ordinary resolution at a general meeting:

- (I) the work reports of the Board of Directors and the Board of Supervisors;

- (II) profit distribution plan and loss recovery plans proposed by the Board of Directors;
- (III) the election and removal of members of the Board of Directors and the Board of Supervisors (except for employee representative Supervisors), their remuneration and method of payment;
- (IV) the annual budget and final account, ~~balance sheet, profit and loss statement and other financial statements~~ of the Company;
- (V) the annual reports of the Company;
- (VI) the Company's appointment, removal or non-reappointment of an accounting firm, **and determination of remuneration of an accounting firm;**
- (VII) other matters, except those required to be adopted by way of a special resolutions as required by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association.

~~Article 106~~**Article 91** The following matters required the sanction of a special resolution at a general meeting:

- (I) the increase or reduction of registered capital, ~~issue of any class of Shares, warrants and other similar securities~~ of the Company;
- ~~(H)~~ the issue of debentures by the Company;
- ~~(HH)~~**(II)** the division, merger, dissolution and liquidation or change of corporate form of the Company;
- ~~(HV)~~**(III)** the amendments to the Articles of Association;
- ~~(V)~~**(IV)** the amount of the Company's purchase or disposal of material assets or guarantee within one year exceeding 30% of the latest audited total assets;
- ~~(VH)~~**(V)** equity incentive schemes;
- ~~(VHH)~~**(VI)** the repurchase of the Company's Shares;
- ~~(VHHH)~~**(VII)** other matters required by laws, administrative regulations, the Hong Kong Listing Rules or the Articles of Association, and those considered by way of an ordinary resolution at a general meeting with a material impact on the Company and in need of approval by way of a special resolution.

~~Article 107~~**Article 92** Shareholders (including their proxies) shall exercise their voting rights according to the number of Shares carrying voting rights they represent, with one vote for each Share.

Shares of the Company held by the Company do not carry any voting rights, and shall not be counted in the total number of Shares carrying voting rights represented by Shareholders attending a general meeting.

The Board, independent non-executive Directors and Shareholders who meet the relevant requirements are entitled to solicit Shareholders' voting rights.

~~Article 108~~ A poll demanded on the election of the chairman of the meeting, or on a question of adjournment of the meeting, shall be taken forthwith. A poll demanded on any other matter shall be taken at such time as the chairman of the meeting directs, and the meeting may proceed to discuss other matters, while the result of the poll shall still be deemed to be a resolution passed at that meeting.

~~Article 109~~ Subject to the permission of applicable laws and regulations, any Shareholder who has two or more votes (including the proxies of such Shareholders) needs not to use all votes for or against any resolution at the time of voting.

~~Article 110~~**Article 93** Where there is an equality of votes cast both for and against a resolution, whether the vote is taken by show of hands or by poll, the presider shall be entitled to one additional vote.

~~Article 111~~**Article 94** When matters on related party transactions are considered on general meetings, related Shareholders shall not participate in the voting. The number of Shares carrying voting rights they represent shall not be counted in the total number of valid votes. The record of the general meeting shall illustrate in detail the voting results of non-related Shareholders.

Prior to the completion of the consideration and voting on matters regarding the related party transactions at the general meeting, the related Shareholders shall apply to the chairman of the meeting for abstention from voting, and the chairman shall announce the same to the meeting. When voting on matters regarding the related party transactions, related Shareholders shall abstain from voting under the supervision of Supervisors attending the meeting.

Prior to the completion of the consideration and voting on matters regarding the related party transactions at the general meeting, non-related Shareholders (including proxies) and Supervisors present at the meeting shall have the right to put forward a request to the chairman that the related Shareholders shall abstain from voting and explain the reasons. If the related Shareholders who are requested to abstain have no objection to the abstention request, they shall not participate in the voting. If the Shareholder who is required to abstain from voting considers that he/she is not a related Shareholder and does not need to perform abstention procedures, he/she shall explain the reasons to the general meeting. If the Shareholder who

is required to abstain from voting is determined to be a related Shareholder, he/she shall not participate in the voting. In the event, the person taking minutes for the general meeting shall keep a record of such situation in detail in the minutes as illustrated above.

~~Article 112~~Article 95 Without prior approval by way of special resolution at the general meeting, the Company shall not enter into any contract with any person other than the Directors, Supervisors, general managers and other senior management whereby the management and administration of the whole or any substantial part of the business of the Company is to be handed over to such person, save for special circumstances such as the Company is in a crisis.

~~Article 113~~Article 96 The list of candidates for Directors and Supervisors shall be submitted by way of a motion to the general meeting for voting.

A cumulative voting system may be adopted for the election of Directors and Supervisors at the general meeting pursuant to the provisions of the Articles of Association or a resolution of the general meeting.

Accumulative voting system referred in the preceding paragraph means a system whereby each share shall be entitled to the voting rights equivalent to the number of Directors or Supervisors to be elected at the general meeting, and Shareholders may consolidate their votes when casting a vote. The Board shall provide Shareholders with the biographies and general information of the Directors and Supervisors to be elected.

~~Article 114~~Article 97 Other than the cumulative voting system, all proposals shall be voted on at the general meeting on case-by-case basis. Where different proposals for the same issue are proposed, such proposals shall be voted on in the order in which they are proposed. Other than special reasons such as force majeure which results in the interruption of the general meeting or makes it impossible to come to resolution, the general meeting shall not set aside the proposals or withhold from voting.

~~Article 115~~Article 98 No amendment shall be made on the proposals during the consideration at the general meeting. Any such amendments to a proposal shall be deemed as a new proposal and shall not be voted at the meeting.

~~Article 116~~Article 99 Voting is conducted by open ballot at the general meeting.

~~Article 117~~Article 100 Any vote of Shareholders at the 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.

~~Article 118~~Article 101 Before voting on a proposal at the general meeting, two Shareholder representatives and one Supervisor representative shall be elected to participate in vote counting and scrutinizing. If any Shareholder has interests or conflicts in the matters to be considered, such Shareholder and his/her proxy shall not participate in the counting or scrutinizing of votes.

When a proposal is voted on at the general meeting, Shareholders' representatives and Supervisors' representative shall be responsible for counting and scrutinizing ballots and announce the voting results on the spot, which shall be recorded in the minutes of the meeting.

~~Article 119~~**Article 102** Before the conclusion of the general meeting, the chairman of the meeting shall declare the voting results of each proposal and announce whether the proposal is passed according to the voting results. His/her decision shall be final and shall be recorded in the minutes of meeting.

Before the formal announcement of the voting results, the tellers, scrutineers, substantial shareholders, and other relevant parties involved in the on-the-spot voting, shall be under confidentiality obligation in relation to the voting.

~~Article 120~~**Article 103** Shareholders who attend the general meeting shall take one of the following stances when a proposal is put forward for voting: to vote for or against or abstain from voting.

Any votes which are uncompleted, erroneously completed or illegible, or uncast votes shall be considered as a waiver of voting rights by the voter, and the outcome of votes carried with the Shares held by such voters shall be counted as "abstain from voting".

Where any Shareholder is required to abstain from voting on any resolution or restricted to voting only for or only against it under the Hong Kong Listing Rules, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

~~Article 121~~**Article 104** In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, the chairman may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy objects to the result announced by the chairman of the meeting may demand for the counting of votes immediately after the declaration of the voting result, the chairman of the meeting shall have the votes counted immediately. If votes are counted at the general meeting, the result shall be recorded at the minutes of the meeting. The minutes of the meeting together with the attendance book of Shareholders and the proxy forms for proxies attending the meeting shall be **maintained by the Company and** kept at ~~theits~~ domicile of the Company.

~~Article 122~~**Article 105** The resolutions of the general meeting shall specify the number of the Shareholders and proxies attending the meeting, the total number of Shares carrying voting rights held by them and such Shares as a percentage of the total number of Shares of the Company carrying voting rights, the means of voting, the voting result of each resolution and the details of the resolutions passed.

~~Article 123~~ A Shareholder shall be entitled to inspect copies of minutes of meeting(s) free of charge during office hours of the Company. Upon the request of any Shareholder for a copy

~~of the relevant minutes of meeting, the Company shall send out the copy of the minutes within seven days of receipt of the reasonable payment therefor.~~

~~Article 124~~**Article 106** Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the resolutions of the general meeting.

~~Article 125~~**Article 107** Where any proposal on the election of Directors or Supervisors is adopted at the general meeting, new Directors or Supervisors shall take their posts upon the passing of the relevant resolution at the general meeting.

~~Article 126~~**Article 108** Should a general meeting pass proposals regarding cash distribution, bonus issue or transfer of surplus reserve into share capital, the specific proposals shall be implemented within 2 months after the close of the general meeting.

Section 7—Special Procedures for Voting by Class Shareholders

~~Article 127~~ Shareholders holding different classes of Shares shall be class Shareholders:

~~Class Shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of laws, administrative regulations, the listing rules where the Shares of the Company are listed and the Articles of Association.~~

~~Article 128~~ Rights conferred on class Shareholders may not be varied or abrogated save with the approval of a special resolution in a general meeting and by Shareholders of the affected class at a separate meeting conducted in accordance with Articles 130 to 134 of the Articles of Association.

~~Where the rights of class Shareholders are altered or repealed due to changes in domestic and foreign laws, administrative regulations and the Hong Kong Listing Rules, as well as decisions made by domestic and foreign regulatory authorities according to law, the approval of general meeting or class meeting is not required.~~

~~The act of the holders of Domestic Shares of the Company to transfer the Shares they hold to the foreign investors and trade them on the overseas market shall not be regarded as the Company's intention to change or abolish the rights of class Shareholders.~~

~~Article 129~~ The following circumstances shall be deemed to be a variation or abrogation of the rights of a certain class of Shareholders:

(I) ~~to increase or decrease the number of Shares of such class, or increase or decrease the number of Shares of another class carrying rights to voting, distribution or other privileges equal or superior to those of Shares of such class;~~

- ~~(H) to convert all or part of Shares of such class into Shares of other classes, or to convert or grant a right of conversion of all or part of Shares of other classes into Shares of such class;~~
- ~~(III) to remove or reduce rights to accrued dividends or cumulative dividends attached to Shares of such class;~~
- ~~(IV) to reduce or remove the rights to a dividend preference or a liquidation preference in distribution of property attached to Shares of such class;~~
- ~~(V) to add, remove or reduce the rights of conversion, options, voting and transfer, preemptive rights to placement and the right of acquisition of securities of the Company attached to Shares of such class;~~
- ~~(VI) to remove or reduce the rights to receive payables from the Company in particular currencies attached to Shares of such class;~~
- ~~(VII) to create a new class of Shares carrying rights of voting, distribution or other privileges equal or superior to those of the Shares of such class;~~
- ~~(VIII) to restrict the transfer or ownership of the Shares of such class or increase such restrictions;~~
- ~~(IX) to grant subscription rights or share conversion rights for Shares of such class or other classes;~~
- ~~(X) to increase the rights and privileges of Shares of other classes;~~
- ~~(XI) to restructure the Company in such a way as to cause different classes of Shareholders to bear a disproportionate burden of obligations of such restructuring;~~
- ~~(XII) to amend or abrogate the terms provided in this Article.~~

~~**Article 130** The affected class Shareholders, whether or not having the right to vote at general meetings, shall have the right to vote at class meetings on matters referred to in items (H) to (VIII) and (XI) to (XII) of Article 129 of the Articles of Association, but interested Shareholders shall not be entitled to vote at class meetings.~~

~~For the purposes of the preceding paragraph, the term interested Shareholders shall have the following meanings:~~

- ~~(I) if the Company has issued a repurchase offer to all Shareholders in the same proportion or has repurchased its own Shares by means of public trading on the stock exchange in accordance with Article 26 of the Articles of Association, the controlling Shareholders as defined in Article 271 of the Articles of Association shall be the “interested Shareholders”;~~
- ~~(II) if the Company has repurchased its own Shares by means of agreement outside the stock exchange in accordance with Article 26 of the Articles of Association, holders of Shares in relation to such agreement shall be the “interested Shareholders”;~~
- ~~(III) under a restructuring proposal of the Company, Shareholders who will bear liability in a proportion smaller than that of the liability borne by other Shareholders of the same class, or Shareholders who have an interest in a restructuring proposal of the Company that is different from the interest in such restructuring proposal of other Shareholders of the same class shall be the “interested Shareholders”.~~

~~**Article 131** A resolution of a class meeting shall only be passed in accordance with Article 130 of the Articles of Association by Shareholders attending the class meeting who represent more than two-thirds of voting rights.~~

~~**Article 132** When convening a class meeting, the Company shall issue a written notice of the meeting within the same period as that of a non-class meeting to be convened together, and notify all registered Shareholders of the relevant class, stating the matters to be considered at the meeting and the date and venue of the meeting. If the Hong Kong Listing Rules have special provisions, such provisions shall prevail.~~

~~**Article 133** The notice of a class meeting shall be served only to the Shareholders entitled to vote at the meeting.~~

~~The procedures according to which a class meeting is held shall, to the extent possible, be identical to the procedures according to which a general meeting is held. Provisions of the Articles of Association relevant to procedures for the holding of general meetings shall be applicable to class meetings.~~

~~Article 134~~ In addition to Shareholders of other classes of Shares, Shareholders of Domestic Shares and overseas listed foreign shares shall be deemed Shareholders of different classes.

The special procedure for voting by class Shareholders is not applicable in the following circumstances:

- ~~(I)~~ after approval by a special resolution at a general meeting, the Company issues H Shares at an interval of 12 months, and the proposed number of H Shares to be issued will not exceed 20% of the outstanding issued Shares of such class;
- ~~(II)~~ the plans to issue H Shares upon establishment of the Company are completed within 15 months from the date of approval by the securities regulatory authority of the State Council or within a period specified by the applicable relevant regulations;
- ~~(III)~~ after approval has been granted by the competent securities authority of the State Council and other approval authorities (if applicable), the Company converts its Domestic Shares into foreign shares which are listed and traded on an overseas stock exchange.

Chapter 5 Board of Directors

Section 1 Directors

~~Article 135~~Article 109 Directors of the Company comprise executive Directors, non-executive Directors and independent non-executive Directors. Executive Directors refer to Directors who assume operation and management duties within the Company. Non-executive Directors refer to Directors who do not assume operation and management duties within the Company and do not have independence pursuant to laws. Independent non-executive Directors refer to Directors who satisfy the requirements of Section 2 in the Chapter 5 of the Articles of Association.

Directors shall be elected or replaced at the general meeting and each has a term of three years unless otherwise required by the Articles of Association. The Directors shall be eligible for re-election upon the expiry of their term.

Directors shall not be dismissed for no reason at the general meeting before the expiry of their terms. On the premise of complying with relevant laws and administrative regulations, the general meeting may remove any Director whose term does not expire by passing an ordinary resolution (but claims under any contract shall not be affected by such removal).

The term of a Director shall be calculated from the date upon which the Director assumes office to the expiry of the current Board. If the term of a Director expires but re-election is not made timely, the original Director shall perform the duties as Director pursuant to laws,

administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association until a new Director is elected.

A Director may serve concurrently as the general manager or other senior management, but the total number of Directors serving concurrently as the general manager or other senior management as well as employee representative Directors (if any) shall not be more than half of the Directors of the Company.

Directors are not required to hold any Shares of the Company.

Functions and duties of independent non-executive Directors of the Board of the Company include but are not limited to:

- (I) join the Board and provide independent opinions on matters concerning the Company's strategic decisions, appointment of senior management and other decisions involving material interests of the Company;
- (II) play the leading and guiding role whenever there is potential conflict of interests such as where the Company is entering into related parties transactions so as to fully protect the overall legitimate rights and interests of the Company and the Shareholders;
- (III) serve as a member of specialised committees such as the audit committee, remuneration committee and nomination committee; and
- (IV) evaluate whether or not the business performance of the Company has achieved its pre-set objectives and express opinions at relevant meetings.

~~Article 136~~**Article 110** Directors shall fulfill the following obligations of loyalty to the Company in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association:

- (I) not abusing their powers to accept bribes or other unlawful income or misappropriating the Company's properties;
- (II) not misappropriating the Company's capital;
- (III) not depositing the Company's assets or capital into accounts under his/her own name or the name of other individuals;
- (IV) not loaning the Company's funds to others or providing guarantees in favor of others supported by the Company's assets in violation of the Articles of Association or without approval of the general meeting or the Board;
- (V) not entering into contracts or deals with the Company in violation of the Articles of Association or without approval of the general meeting;

- (VI) not leveraging on their position and powers to procure business opportunities for themselves or others that should have otherwise been available to the Company or operating for their own benefits or managing on behalf of others businesses similar to that of the Company without approval of the general meeting;
- (VII) not accepting and possessing commissions paid by another person for transactions conducted with the Company;
- (VIII) no unauthorized divulgence of confidential information of the Company;
- (IX) not using their associated relationships to harm the interests of the Company;
- (X) other obligations of loyalty stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

Any income earned by Directors in violation of the Articles of Association shall belong to the Company; any loss caused to the Company shall be liable for compensation.

~~Article 137~~ **Article 111** Directors shall fulfill the following obligations of diligence in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association:

- (I) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure that the business operations of the Company comply with the requirements of the laws, administrative regulations and various economic policies of the country and not exceed the business scope specified in the business license of the Company;
- (II) to treat all Shareholders impartially;
- (III) to keep informed of the operation and management conditions of the Company;
- (IV) to sign a written confirmation for the securities offering documents and periodic reports of the Company, to ensure the truthfulness, accuracy and completeness of the information disclosed by the Company;
- (V) to provide the Board of Supervisors with truthful information and not prevent the Board of Supervisors or Supervisors from exercising their duties and functions;
- (VI) other obligations of diligence stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association.

~~Article 138~~**Article 112** Directors who fail to attend two consecutive meetings of the Board of Directors either in person or entrust other Directors to do so shall be deemed incapable of performing their duty, and the Board shall make a proposal to the general meeting to replace such Directors.

~~Article 139~~**Article 113** Directors may submit their resignation upon the expiry of their term. The resigning Directors shall submit a resignation report to the Board in writing.

In the event that the resignation of a Director will result in the Board of the Company falling below the quorum, the original Directors shall perform their duties as Directors pursuant to laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and the Articles of Association until a new Director assume his/her post.

Save for the aforesaid circumstances, the Director's resignation takes effect upon delivery of his/her resignation report to the Board.

On the premise of not violating relevant laws and regulations as well as regulatory rules in Hong Kong, any Director appointed to fill a casual vacancy or as an addition to the Board (as permitted by applicable laws and regulations) shall hold office only until the first general meeting after acceptance of the appointment and shall be eligible for re-election.

~~Article 140~~**Article 114** When a Director's resignation takes effect or his/her term of service expires, the Director shall complete all transfer procedures with the Board. His/her obligation of loyalty towards the Company do not necessarily cease immediately after the end of his/her term of service. The obligation of confidentiality in respect of trade secrets of the Company shall remain in effect after the end of his/her term of office, until such trade secrets become publicly available information. Other obligations may continue for such period as the principle of fairness may require, depending on the duration between the occurrence of the event concerned and the termination of tenure, and the circumstances and conditions under which the relationships between them and the Company have been terminated.

~~Article 141~~**Article 115** No Director shall act in his/her own name on behalf of the Company or the Board, without the legal authorization provided in the Articles of Association or from the Board. Where the Director acts in his/her own name, but where a third party may reasonably assume such Director to act on behalf of the Company or the Board, such Director shall state his/her position and capacity in advance.

~~Article 142~~**Article 116** A Director shall be liable for compensation for any loss of the Company arising from violation by him/her of any laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association in the course of performing his/her duties.

~~Article 143~~Article 117 The Company shall strictly comply with the relevant provisions of the Articles of Association and the Decision Making System for Connected Transactions 《(關連交易決策制度)》, and connected directors shall recuse themselves from voting when the Board of Directors reviews matters of connected transactions.

Session 2 Independent Non-executive Directors

~~Article 144~~Article 118 The Company establishes an independent non-executive Director system. Independent non-executive Directors refer to Directors who do not assume other posts in the Company except directorship and have no relationship with the Company and its substantial Shareholders that may impede them from exercising independent judgment.

Independent non-executive Directors shall serve a term of three years and be eligible for re-election, but in any case not exceeding a total of nine years unless otherwise provided in relevant laws, regulations and the listing rules of the stock exchange where the Shares of the Company are listed.

~~Article 145~~Article 119 Independent non-executive Director shall satisfy the basic conditions set forth below:

- (I) to be qualified for acting as directors of a listed company as provided in laws, administrative regulations, the listing rules of the stock exchange where the Company's Shares are listed and other relevant regulations;
- (II) to comply with the requirements on independence as stipulated in the listing rules of the stock exchange where the Company's Shares are listed;
- (III) to possess the basic knowledge of the operations of listed companies, and be familiar with relevant laws, administrative regulations, and rules and regulations;
- (IV) having at least five years of working experience in legal or economic areas, or other experience indispensable for performing the duties as independent non-executive directors;
- (V) other requirements provided in the Articles of Association.

~~Article 146~~Article 120 At least one independent non-executive Director of the Company shall be an accounting professional. Independent non-executive Directors shall honestly fulfill their duties and protect the interests of the Company, in particular the legitimate rights and interests of public shareholders, to ensure the sufficient representation of the interests of all shareholders.

~~Article 147~~Article 121 Independent non-executive Directors have the following special powers in addition to the powers conferred on the Directors by the Company Law, other relevant laws and regulations, the listing rules of the stock exchange where the Shares of the Company are listed and the Articles of Association:

- (I) proposing to the Board with respect to the engagement or dismissal of accounting firms;
- (II) proposing to the Board with respect to the convening of extraordinary general meetings;
- (III) proposing the convening of Board meetings;
- (IV) with the consent of all independent non-executive Directors, independently engaging external auditing and consultancy firms with respect to the auditing and consulting of specific matters of the Company. The costs so incurred shall be borne by the Company.

Except for item (IV), to exercise the above-mentioned powers, independent non-executive Directors shall obtain consent from more than half of all independent non-executive Directors. In the event that the above proposal is not adopted or the above powers cannot be normally exercised, the Company shall disclose the relevant information.

~~Article 148~~Article 122 Before the expiration of their term of office, independent non – executive Directors shall not be dismissed without proper reasons. In case of an independent Director being dismissed before expiration of his/her term of office, the Company shall disclose it as a special discloseable matter.

Should an independent non-executive Director fail to attend in person the board meetings for three consecutive times, the Board of Directors may propose to the shareholders’ general meeting for replacement of such director.

~~Article 149~~Article 123 All matters not prescribed in this section for the system of independent non-executive Directors shall be handled pursuant to relevant laws, administrative regulations, department rules and the listing rules of the stock exchange where the Company’s Shares are listed.

~~Article 150~~Article 124 The Company provides appropriate subsidies to independent non – executive Directors. The standards of the subsidies shall be considered and determined at the shareholders’ general meeting.

~~Article 151~~Article 125 Unless otherwise provided by the laws, administrative regulations and the Articles of Association, the provisions regarding Directors as mentioned above in Section 1 of the Articles of Association shall apply to independent non-executive directors.

Section 3 Board of Directors

~~Article 152~~Article 126 The Company shall have a Board of Directors accountable to the general meeting.

~~Article 153~~Article 127 The Board comprises 7 Directors (including 3 independent non – executive Directors), all elected at the general meeting. The Board shall have one chairman, who shall be a Director of the Company and elected by more than half of the Directors of the Board.

~~Article 154~~Article 128 The Board of Directors shall exercise the following duties and functions:

- (I) to convene general meetings and report to the general meeting;
- (II) to implement resolutions of the general meeting;
- (III) to resolve on the Company’s operational plans and investment plans;
- (IV) to prepare the annual financial budgets and final accounts of the Company;
- (V) to prepare the profit distribution and loss recovery plans of the Company;
- (VI) to formulate proposals for the Company in respect of increase or reduction of registered capital, issue of Shares, bonds or other securities and the listing thereof;
- (VII) to formulate plans for material acquisitions, purchase of Shares of the Company, or merger, division and dissolution of the Company as well as change of corporate form;
- (VIII) to decide on, within the authority granted by the general meeting, such matters as external investment, acquisition and disposal of assets, asset mortgage, external guarantee, entrusted financial management and connected transactions;
- (IX) to decide on the establishment of internal management organizations of the Company;
- (X) to appoint or dismiss the general manager and secretary to the Board of Directors of the Company based on the nominations by the chairman; to appoint or dismiss senior management officers including deputy general manager and chief financial officer of the Company based on the nominations by general manager, and to determine their remuneration, rewards and punishments;
- (XI) to propose and submit plans regarding the amounts of Directors’ remuneration and payment methods;

- (XII) to set up the basic management system of the Company;
- (XIII) to formulate proposals for any amendment to the Articles of Association;
- (XIV) to propose to the general meeting the appointment or replacement of accounting firms which provide audit services to the Company;
- (XV) to listen to the work reports of general manager and other senior management and review their work;
- (XVI) to consider guarantees other than those that require approval by the general meeting, subject to the consideration and approval by more than two-thirds of the attending Directors;
- (XVII) to exercise other duties and functions as stipulated by laws, administrative regulations, department rules, the Hong Kong Listing Rules or the Articles of Association.

The Board of Directors may resolve on the above issues with approval by more than half of the Directors, save for the issues specified in items (VI), (VII) and (XIII), for which approval by more than two-thirds of the Directors is required.

~~Article 155~~ **Article 129** The Company's Board of Directors shall explain to the general meeting regarding the non-standard auditors' advice given by a certified accountant in respect of the financial report of the Company.

~~Article 156~~ **Article 130** The Board of Directors shall formulate the rules of procedure for meetings of the Board of Directors in compliance with laws, administrative regulations and requirements of the relevant competent authority, to ensure the implementation by the Board of Directors of the resolutions of the general meeting, higher efficiency and scientific, decision-making.

The rules of procedure for Board meetings shall be annexed to the Articles of Association and shall be prepared by the Board and implemented upon approval by the shareholders' general meeting.

~~Article 157~~ **Article 131** The Board of Directors shall determine the scope of authority in respect of external investment, acquisition or sale of assets, asset mortgage, external guarantees, entrusted financial management and connected transactions in accordance with the provisions of the stock exchange where the Company's Shares are listed, and establish strict examination and decision – making procedures.

~~**Article 158**~~ The Board of Directors shall not dispose of or agree to dispose of any fixed assets without approval by the general meeting, if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within four months before such proposal exceeds 33% of the value of the fixed assets as shown on the latest audited balance sheet considered and approved by the general meeting.

~~Disposal of fixed assets referred to in this Article includes the act of transferring interests in certain assets, but does not include the act of providing fixed assets as guarantees.~~

~~The validity of the Company's transaction concerning the disposal of fixed assets shall not be affected by any breach of the first paragraph of this Article.~~

~~**Article 159**~~**Article 132** The Chairman of the Board of Directors shall exercise the following powers:

- (I) to preside over the shareholders' general meeting, and to convene and preside over the meetings of the Board of Directors;
- (II) to urge and check the implementation of the Board of Directors' resolutions;
- (III) to sign corporate bonds issued by the Company and other negotiable securities issued by the Company as permitted by law;
- (IV) to sign material documents and other documents needed to be signed by the Company's as a legal representative;
- (V) to exercise other powers as a legal representative;
- (VI) in the event of emergency of force majeure such as catastrophic natural disaster, to enforce special discretion on the affairs of the Company in accordance with provisions of laws and the interests of the Company and to report to the Board of Directors of the Company or the shareholders' general meeting afterwards;
- (VII) to examine and approve transactions that fail to meet the deliberation criteria of the Board of directors as stated in ~~Article 157~~ of the Articles of Association;
- (VIII) other functions and powers conferred by the Board of Directors.

~~**Article 160**~~**Article 133** If the chairman cannot or does not perform his/her duties, a Director jointly elected by more than half of the Directors shall convene and preside over the meeting.

~~Article 161~~Article 134 The Board of Directors meets regularly at least four times every year (roughly on a quarterly basis) and such meetings shall be convened by the chairman. All Directors and Supervisors shall be informed in writing 14 days prior to the convening of the meeting. The responsible authority of the Company shall give the written notice of the meeting to all Directors and Supervisors by direct delivery, fax, speedpost or other electronic communication methods. For non – direct delivery, confirmation shall be made by telephone with records made accordingly.

~~Article 162~~Article 135 Interim board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the Directors, the Board of Supervisors, chairman, general manager and two or more independent non-executive Directors. The chairman shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting.

For the convening of interim Board meetings, the Board of Directors shall notify all Directors in writing 3 days before the meeting, except that in special or emergency cases, interim board meetings shall be convened by means of on-site meeting, telephone or fax. In case of emergency, if it is necessary to convene an interim board meeting as soon as possible with a notice by telephone or other oral means, the convener shall make an explanation at the meeting.

For matters requiring voting at interim board meetings, if the Board of Directors has distributed the contents of the proposal proposed to be voted on to all Directors in writing (including by fax and e-mail) and ensured that the Directors can fully express their opinions, they can vote by communication and make resolutions without convening a Board meeting. However, a valid resolution may only be achieved when the number of Directors who sign for consent reaches the number required for making decisions as stipulated in ~~Article 154~~ of the Articles of Association.

~~Article 163~~Article 136 A notice of the Board shall include:

- (I) date and venue of the meeting;
- (II) duration of the meeting;
- (III) subject matter and issues;
- (IV) date of notice.

~~Article 164~~Article 137 The Board meeting shall be held upon the attendance by more than half of Directors. Unless otherwise stipulated in the Articles of Association, a resolution of the Board shall be passed by more than half of all Directors. For external guarantees that shall be approved by the Board, a resolution of the Board of Directors shall be approved by more than two-thirds of Directors present at the meeting and passed by more than half of all Directors.

Resolutions of the Board are voted by way of poll with each Director having one vote.

Where there is a tie in votes cast for and against a resolution, the chairman of the Board of Directors shall have a casting vote.

~~Article 165~~**Article 138** If any Director has connection with the enterprise involved in the resolution made at a Board meeting, the said Director shall not vote on the said resolution for himself/herself or on behalf of another Director. The Board meeting may be held when more than half of the non-connected Directors attend the meeting. The resolutions of the Board meeting shall be passed by more than half of the non – connected Directors. If the number of non-connected Directors attending the meetings is less than three, the issue shall be submitted to the general meeting for consideration.

Save for the exceptions specified in the Hong Kong Listing Rules, in case a Director or his/her close associate (as defined in the Hong Kong Listing Rules applicable from time to time) is interested in a resolution of the Board meeting, that Director shall avoid attending the meeting and have no voting right. The Director will also be excluded in the calculation of quorum for the Board.

~~Article 166~~**Article 139** The resolutions of the Board of Directors can be made by filling in a ballot in writing or by a show of hands. The resolutions of the interim Board meetings can be made by means of fax, signature of draft resolution of the Board, telephone or video conference and the signature of the attending Directors, provided that the Directors' opinions are fully expressed.

~~Article 167~~**Article 140** Directors shall attend the meetings of the Board in person. Directors shall attend the Board meeting in a careful and responsible manner, and express clear opinions on the matters considered. Where a Director is unable to attend a meeting for any reason, he/she may, by a written power of attorney, appoint another Director to attend the meeting on his/her behalf. The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or sealed with the chop by the appointing Director. A Director who attend the meeting on behalf of appointed Director shall exercise the rights of a Director within the scope of authority. Where a Director is unable to attend a meeting of the Board of Directors and has not appointed a proxy to attend the meeting on his/her behalf, he/she shall be deemed to have waived his/her right to vote at the meeting.

~~Article 168~~**Article 141** For any important matter subject to decision by the Board, all directors must be given advance notice by the time as stipulated in the Articles of Association and provided with sufficient information, which shall be conducted in strict compliance with the prescribed procedures. The directors are entitled to request supplementary information. If at least one-quarter of the Directors or at least two independent non-executive Directors believe that they are unable to make judgments on relevant matter due to insufficient of information materials or other such reason, they may jointly propose to postpone the Board meeting or postpone the discussion of some matter considered. In such circumstances, the Board of Directors shall accept it.

Resolutions in respect of the connected transactions of the Company made by the Board of Directors shall take effect only after being signed by independent non-executive Directors.

~~Article 169~~Article 142 The Board of Directors shall prepare minutes of the meetings of the Board and such minutes shall be signed by the Directors, secretary to the Board present at the meeting and the person who has prepared the minutes.

The Board of Directors shall be responsible for the resolutions adopted by the Board of Directors. The Directors adopting a resolution that contravenes laws, administrative regulations or the Articles of Association and results in severe losses to the Company shall be liable to the Company for compensation. However, a Director may be exempt from such liability with the proof that he/she has expressed a disagreement which has been recorded in the minutes of the meeting.

The minutes of the Board meeting will be properly deposited by the secretary to the Board for a period of not less than ten years.

~~Article 170~~Article 143 The minutes of the Board meeting shall include:

- (I) the convening date, place and the convener's name of the meeting;
- (II) names of Directors present and such directors appointed as proxies to attend the meeting;
- (III) agenda of the meeting;
- (IV) key points of speeches of the Directors;
- (V) the voting method and the results of each resolution (the number of votes in favor, against or abstain shall all be clearly indicated).

Section 4 Secretary to the Board of Directors

~~Article 171~~Article 144 The Company has a secretary to the Board of Directors who shall be appointed or dismissed by the Board of Directors and serve as a senior management officer of the Company.

~~Article 172~~Article 145 The secretary to the Company's Board of Directors shall be a natural person with requisite professional knowledge and experience, and shall be appointed by the Board of Directors. Its primary responsibilities are:

- (I) ensuring the Company has complete organization documents and records, keeping and managing the Shareholders' information and assisting to handle the daily affairs of the Board;
- (II) organizing and arranging for Board meetings and general meetings; preparing meeting materials, handling relevant meeting affairs; taking minutes of the meetings and ensuring

their accuracy and completeness; keeping documents and minutes of meetings; taking the initiative to monitor the implementation of relevant resolutions; reporting to the Board important issues that occur during the implementation and giving relevant advice to the Board;

- (III) acting as the liaison officer of the Company with the securities regulatory authorities, responsible for organizing, preparing and timely submitting the documents required by the regulatory authorities, accepting and finishing any relevant assignment from the regulatory authorities;
- (IV) responsible for coordinating and organizing the Company's disclosure of information, establishing and implementing the information disclosure system, participating in all of the Company's meetings involving the disclosure of information, and keeping informed of the Company's material operational decisions and related information in a timely manner;
- (V) ensuring that the Company's registers of members are properly maintained, and that persons entitled to the Company's records and documents are furnished with such records and documents in time;
- (VI) exercising other duties and functions as conferred by the Board, as well as those required by laws, regulations and the listing rules of the stock exchanges where the Company's Shares are listed.

~~Article 173~~Article 146 Directors or other senior management personnel of the Company may concurrently serve as the secretary to the Board, but shall ensure to have sufficient efforts and time to perform duties of the secretary to the Board. The general manager (excluding the deputy general manager) and financial officer of the Company shall not concurrently hold serve as the secretary to the Board. The accountant(s) of the certified public accountants' firm engaged by the Company and management officers of the controlling Shareholders shall not concurrently serve as the secretary to the Board. Where the secretary to the Board is held concurrently by a Director, if a certain act should be performed by the Director and the secretary to the Board of the Company respectively, the person who concurrently serves as the Director and the secretary to the Board of the Company shall not act in dual capacity.

Chapter 6 General Manager and Other Senior Management Personnel

~~Article 174~~Article 147 The Company shall have one general manager.

The general manager, deputy general manager, chief financial officer and secretary to the Board are the senior management personnel of the Company, all of whom shall be appointed or dismissed by the Board.

~~Article 175~~Article 148 The provisions of the Articles of Association regarding the duties of integrity and diligence of Directors shall also apply to senior management personnel.

~~Article 176~~Article 149 The senior management personnel of the Company shall not hold any executive positions other than directors or supervisors in the controlling shareholders, de facto controllers and other enterprises controlled by them, and shall not receive any remuneration from any other enterprises controlled by the controlling shareholders or the actual controllers.

~~Article 177~~Article 150 The general manager has a term of office of three years and may be re – employed and re-appointed.

~~Article 178~~Article 151 The general manager shall be accountable to the Board and exercise the following functions and powers:

- (I) to take charge of the production operations and management of the Company, organize the implementation of the Board’s resolutions and report his/her work to the Board;
- (II) to organize the implementation of the Company’s annual operational plans and investment plans;
- (III) to decide on the setup of the Company’s internal management organs;
- (IV) to formulate the basic management system of the Company;
- (V) to formulate the specific rules and regulations of the Company;
- (VI) to propose to the Board the appointment or dismissal of the deputy general manager, chief financial officer and other senior management personnel of the Company;
- (VII) to appoint or dismiss management personnel, other than those required to be appointed or dismissed by the Board of Directors;
- (VIII) other functions and powers as granted by the Articles of Association and the Board.

The general manager shall perform his/her duties diligently and take charge of the daily operations and management of the Company. If the general manager is unable to perform his/her duties due to special circumstances, he/she shall designate a person to perform his/her duties on his/her behalf. If the general manager fails to designate a person to perform his/her duties on his/her behalf, the Board shall designate an acting general manager.

~~Article 179~~Article 152 The general manager may attend at the Board meetings. The non – director general manager has no voting right at such meetings.

~~Article 180~~Article 153 The general manager shall lay down his/her working rules which may be implemented upon approval by the Board of Directors.

~~Article 181~~Article 154 The working rules of the general manager cover the following:

- (I) the conditions, procedures and number of participants for holding a general manager's meetings;
- (II) their respective duties and division of responsibilities among the general manager and other senior management personnel;
- (III) the scope of authority to use the capital and the assets of the Company and execution of material contracts, and the reporting system to the Board of Directors and the Board of Supervisors;
- (IV) any other matters considered necessary by the Board of Directors.

~~Article 182~~Article 155 The general manager may submit his/her resignation before the expiry of his/her term of service. The specific procedures and methods concerning the general manager's resignation are specified in the employment contract between the general manager and the Company.

~~Article 183~~Article 156 If a senior management member contravenes the provisions of laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Associations when carrying out his/her duties in the Company shall be liable to compensate the Company for the losses thereof.

Chapter 7 Board of Supervisors

Section 1 Supervisors

~~Article 184~~Article 157 The Supervisors are shareholder representatives and employee representatives of the Company. The number of employee representative Supervisors shall be no less than one-third of all Supervisors.

~~Article 185~~Article 158 Directors, the general manager and other senior management personnel may not concurrently serve as Supervisors.

~~Article 186~~Article 159 Supervisors shall perform their supervisory duties faithfully in accordance with laws, administrative regulations and the Articles of Association, and bear fiduciary and diligent duties to the Company. Supervisors shall not abuse their powers to accept bribes or other illegal income or misappropriate the Company's property.

~~Article 187~~Article 160 The term of office of a Supervisor is three years. Upon expiration of the term of office, the Supervisors may be re-elected and re-appointed.

~~Article 188~~Article 161 A Supervisor shall continue to perform his/her duties as a Supervisor in accordance with laws, administrative regulations and the Articles of Association until a re-elected supervisor takes office, if the re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of supervisors results in the number of supervisors being less than the quorum.

~~Article 189~~Article 162 Supervisors shall ensure any information disclosed by the Company to be true, accurate and complete.

~~Article 190~~Article 163 Supervisors may attend at Board meetings, and raise any inquiry or make any suggestion regarding the resolutions of the Board.

~~Article 191~~Article 164 Supervisors shall not use their connected relationship to prejudice the interests of the Company and shall be held liable for and indemnify any loss caused to the Company.

~~Article 192~~Article 165 Any Supervisor who violates laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or any provisions of the Articles of Associations when performing his/her duties in the Company shall be held liable to the Company for any damages caused by such violation.

Section 2 Board of Supervisors

~~Article 193~~Article 166 The Company shall have a Board of Supervisors. The Board of Supervisors shall consist of three Supervisors, including two shareholder representative Supervisors and one employee representative Supervisor.

The Board of Supervisors shall have one chairman, whose appointment or dismissal shall be subject to the affirmative vote of ~~at least two-thirds~~ **more than half** of the members of the Board of Supervisors. The chairman of the Board of Supervisors shall convene and preside over the meetings of the Board of Supervisors. If the chairman of the Board of Supervisors cannot or does not perform his/her duties, a Supervisor jointly elected by more than half of the Supervisors shall convene and preside over the meeting.

The shareholder representative Supervisor shall be elected at the general meeting, and the employee representative Supervisor shall be elected at the employee representative assembly of the Company.

~~Article 194~~Article 167 The Board of Supervisors shall be accountable to the general meeting and exercise the following functions and powers:

- (I) to review and express its view in writing on corporate securities issuance documents and periodic reports prepared by the Board, with signatures of the Supervisors to be affixed on such written confirmations;
- (II) to examine the Company's finance;

- (III) to supervise the Directors and senior management personnel in the performance of their duties, and to propose the removal of the Directors and senior management personnel that violate laws, administrative regulations, the Articles of Association or resolutions of the general meeting;
- (IV) to require rectification by Directors and senior management personnel if their acts are detrimental to the Company's interests;
- (V) to have the right to be informed of matters within the terms of reference of the Board of Supervisors as stipulated by laws, administrative regulations and the Articles of Association of the Company;
- (VI) to propose the convening of an extraordinary general meeting, and to convene and preside over a general meeting in the event of the Board failing to perform such duties as stipulated in the Company Law;
- (VII) to submit proposals to the general meeting;
- (VIII) to be present at the Board meetings;
- (IX) to initiate legal proceedings against Directors and senior management personnel in accordance with Article 151 of the Company Law;
- ~~(X) to propose to convene an interim Board meeting;~~
- ~~(XI)(X)~~ to review the financial information such as financial reports and profit distribution plans to be submitted by the Board to the general meeting and, to investigate and, if necessary, to engage professional organizations, such as accounting firms and law firms, to assist its work if queries arise or it discovers any irregularities in the Company's operations. The expenses thereof shall be borne by the Company;
- ~~(XII)(XI)~~ such other functions and powers as granted by the Articles of Association or the general meeting.

Supervisors shall be present at the Board meetings.

~~Article 195~~**Article 168** The Board of Supervisors shall hold a meeting at least once every six months. A Supervisor may propose to convene an extraordinary meeting of the Board of Supervisors. The notice of the meeting shall be served to all Supervisors in writing 10 days before the meeting, and all Supervisors shall be notified 3 days before the extraordinary meeting.

In case of contingency for which a meeting of the Board of Supervisors is required to be held as soon as practicable, a notice may be given through telephone or other verbal means, provided that the convener shall explain it at the meeting.

~~Article 196~~Article 169 The meetings of the Board of Supervisors may be held only if more than half of the Supervisors are present. Voting on the matters considered at the meetings of the Board of Supervisors shall be taken by a poll or by a show of hands, and each Supervisor shall have one vote. A resolution of the Board of Supervisors shall be passed by votes of more than ~~two-thirds (inclusive)~~half of Supervisors.

~~Article 197~~Article 170 The Supervisory Board may make recommendations on the appointment of accounting firms by the Company or otherwise engage another accounting firm in the name of the Company to independently review the Company's financial positions when necessary and report directly to the securities regulatory authority of the State Council and other relevant departments.

~~Article 198~~Article 171 The Board of Supervisors shall establish the rules of procedure for the meetings of the Board of Supervisors specifying the procedures for discussion and voting of the Board of Supervisors so as to ensure the efficiency and rational decision-making of the Board of Supervisors.

The rules of procedure of the Board of Supervisors, which specify the procedures for convening of and voting at the meetings of the Board of Supervisors and are attached to the Articles of Association, shall be formulated by the Board of Supervisors and submitted for approval at the general meeting.

~~Article 199~~Article 172 The Board of Supervisors shall record its decisions on all matters considered at the meeting into the meeting minutes. Participating supervisors shall sign the meeting minutes for confirmation.

Supervisors are entitled the right to make certain written explanations for their speeches delivered at the meeting in the minutes. The meeting minutes of the Board of Supervisors shall be kept by Secretary to the Board as corporate documents for at least 10 years.

~~Article 200~~Article 173 The notices of meetings of the Board of Supervisors shall contain the following:

- (I) the date, place and duration of the meeting;
- (II) the matters to be considered and the agenda of the meeting;
- (III) the date of the notice.

Chapter 8 Qualifications and Obligations of Directors, Supervisors and Senior Management Personnel

~~Article 201~~**Article 174** A person shall be disqualified for being a Director, Supervisor, general manager or other senior management personnel of the Company in any of the following circumstances:

- (I) persons without capacity or with limited capacity for civil acts;
- (II) **persons who were convicted and sentenced to penalty for corruption, bribery, encroachment or embezzlement of property or disruption of economic order in socialist market, or persons who were deprived of political rights for committing a crime, and in each case, where five years have not lapsed following the serving of the penalty**~~persons who were convicted and sentenced to penalty for corruption, bribery, encroachment or embezzlement of property or disruption of social or economic order, or persons who were deprived of political rights for committing a crime, and in each case, where five years have not lapsed following the serving of the penalty;~~
- (III) **directors, factory heads or managers who bear individual responsibility for the bankruptcy of their companies or enterprises dissolved or put into liquidation, where three years have not lapsed following the date of completion of such bankruptcy or liquidation**~~directors, factory heads or managers who bear individual responsibility for the bankruptcy of their companies or enterprises dissolved or put into liquidation as a result of mismanagement, where three years have not lapsed following the date of completion of such bankruptcy or liquidation;~~
- (IV) **the legal representatives of companies or enterprises that had their business licenses revoked or were ordered to close down for violation of law, where such representatives bear individual responsibility and three years have not lapsed following the date of revocation of such business licenses**~~the legal representatives of companies or enterprises that had their business licenses revoked for violation of law, where such representatives bear individual responsibility and three years have not lapsed following the date of revocation of such business licenses;~~
- (V) persons with relatively significant individual debts that have not been settled upon maturity;
- (VI) ~~persons whose cases have been established for investigation by judicial authorities due to violation of the criminal law, and such cases have not been closed;~~
- (VII) ~~persons who may not serve as chief executives of enterprises by virtue of laws or administrative regulations;~~

~~(VIII) artificial persons;~~

~~(IX) persons adjudged by relevant competent authorities to have violated securities-related regulations, where such violation involves fraudulent or dishonest acts and five years have not lapsed following the date of the ruling;~~

~~(X)(VI) persons prohibited from participating in the securities market by the CSRC, and such barring period has not lapsed;~~

~~(XVII) other circumstances specified by **the Company Law, the Securities Law and other laws and regulations and** the relevant laws and regulations of the place where the Company's Shares are listed.~~

~~**Article 202**~~**Article 175** The validity of an act of a Director, general manager and other senior management personnel on behalf of the Company for a bona fide third person is not affected by any irregularity in his/her office, election or any defect in his/her qualification.

~~**Article 203**~~ In addition to the obligations imposed by laws and administrative regulations or required by the Hong Kong Listing Rules, the Directors, Supervisors, general manager and other senior management personnel of the Company shall, in the exercise of their functions and powers entrusted by the Company, bear the following duties towards each Shareholder:

~~(I) not to cause the Company to exceed the scope of business stipulated in its business license;~~

~~(II) to act in good faith and in the best interests of the Company;~~

~~(III) not to expropriate the Company's property in any way, including but not limited to opportunities beneficial to the Company;~~

~~(IV) not to expropriate the individual rights of Shareholders, including but not limited to the rights of distribution and voting, save pursuant to a restructuring of the Company submitted to the general meeting for approval in accordance with the Articles of Association.~~

~~**Article 204**~~**Article 176** The Directors, Supervisors, general manager, and other senior management personnel of the Company shall, in exercising their powers and discharging their duties, exercise care, diligence and skills that a reasonably prudent person would exercise in similar circumstances.

~~**Article 205** The Directors, Supervisors, general manager and other senior management personnel of the Company shall exercise their powers or perform their duties in the principle of good faith, and shall not put themselves in a position of possible conflict between their interests and duties. This principle includes (but is not limited to) the performance of the following obligations:~~

- ~~(I) to act in good faith and in the best interests of the Company;~~
- ~~(II) to exercise powers within the scope of powers and not to exceed the authorizations;~~
- ~~(III) to exercise the discretion vested in him/her personally and not to allow himself/herself to act under the control of another person and, unless and to the extent permitted by laws and administrative regulations or with the informed consent of Shareholders at a general meeting, without delegating the exercise of his/her discretion;~~
- ~~(IV) to treat Shareholders of the same class equally and to treat Shareholders of different classes fairly;~~
- ~~(V) except otherwise stipulated by the Articles of Association or otherwise consented by Shareholders on an informed basis at a general meeting, not to enter into any contract, transaction or arrangement with the Company;~~
- ~~(VI) without the informed consent of Shareholders at a general meeting, not to use the Company's property for his/her own benefits;~~
- ~~(VII) not to exploit his/her position to accept bribes or other illegal income or expropriate the Company's property by any means, including but not limited to opportunities beneficial to the Company;~~
- ~~(VIII) without the informed consent of Shareholders at a general meeting, not to accept commissions in connection with any of the Company's transactions;~~
- ~~(IX) to abide by the Articles of Association, perform his/her duties faithfully and protect the Company's interests, and not to exploit his/her position and power in the Company to advance his/her own personal benefits;~~
- ~~(X) not to compete with the Company in any way unless with the informed consent of Shareholders at a general meeting;~~
- ~~(XI) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in his/her own name or in the names of others for the deposit of the Company's assets, and not to provide a guarantee for the debts of a Shareholder of the Company or other individual(s) with the Company's assets;~~

~~(XII) unless otherwise permitted on an informed basis at a general meeting, to keep information acquired by him/her in confidentiality in the course of his/her tenure and not to use the information other than in furthering the interests of the Company, save and except that disclosure of such information to the court or other competent government authorities is permitted if such disclosure is made:~~

- ~~1. — by operation of law;~~
- ~~2. — for public interests;~~
- ~~3. — for the interests of the Director, Supervisor, general manager and other senior management personnel.~~

~~Any gains arising from the breach of this Article by the personnel mentioned in this Article shall belong to the Company. Such personnel shall be liable for compensation for any loss of the Company arising therefrom.~~

~~**Article 206** The Directors, Supervisors, general manager and other senior management personnel of the Company shall not cause the following persons or institutions (the “Associates”) to do what they are prohibited from doing:~~

- ~~(I) — the spouse or minor children of the Company’s Directors, Supervisors, general manager and other senior management personnel;~~
- ~~(II) — a person acting in the capacity of a trustee of the Company’s Directors, Supervisors, general manager and other senior management personnel or any person referred to in item (I) of this Article;~~
- ~~(III) — a person acting in the capacity of a partner of the Company’s Directors, Supervisors, general manager and other senior management personnel or any person referred to in items (I) and (II) of this Article;~~
- ~~(IV) — a company in which the Company’s Director(s), Supervisor(s), general manager and other senior management personnel, individually or jointly with the personnel referred to in items (I), (II) and (III) of this Article or other Directors, Supervisors, general manager and other senior management personnel of the Company having de facto joint control;~~
- ~~(V) — the Directors, Supervisors, general manager and other senior management personnel of the controlled entities referred to in item (IV) of this Article.~~

~~**Article 207**~~**Article 177** The obligations of integrity of the Director, Supervisor, general manager and other senior management personnel of the Company towards the Company do not necessarily cease immediately after the end of their terms of service. Their obligation of confidentiality in respect of trade secrets of the Company shall remain in effect after the

end of their terms of office. Other obligations may continue for such period as the principle of fairness may require, depending on the duration between the occurrence of the event concerned and the termination of tenure, and the circumstances and conditions under which the relationships between them and the Company have been terminated.

~~**Article 208** Except as provided in Article 63 of the Articles of Associations, the Directors, Supervisors, general manager and any other senior management personnel of the Company may be relieved of liability for specific breaches of their duties with the informed consent of Shareholders at a general meeting.~~

~~**Article 209**~~**Article 178** Where a Director, Supervisor, general manager and other senior management personnel of the Company is, directly or indirectly, materially interested related in a contract, transaction or arrangement entered into or proposed to be entered into with the Company (other than an employment contract of each Director, Supervisor, general manager and other senior management personnel with the Company), he/she shall declare the nature and extent of his/her interests to relationship with the Board at the earliest opportunity, whether or not the relevant issues shall be otherwise subject to approval of the Board.

Excluding such exceptions stipulated by the securities listing rules, no Directors shall vote on any contract, transaction or arrangement or any other relevant proposal in which they or any of their close associates (as defined in the applicable securities listing rules effective from time to time) have material interests. When determining whether a quorum for the meeting is attained, relevant Directors shall not be counted in.

Unless the interestedrelated Director, Supervisor, general manager and other senior management personnel of the Company have made a disclosure of his/her interests to the Board as required in the preceding paragraph of this Article and the Board has approved the same at a meeting where such persons have not been counted in the quorum nor have voted, the Company has the power to revoke such contract, transaction or arrangement except where the other party is a bona fide third party without knowledge of the breach of the obligations of such Director, Supervisor, manager and other senior management personnel.

Each Director, Supervisor, general manager and other senior management personnel of the Company shall be deemed to be interestedrelated in a contract, transaction or arrangement in which any associate of the Director, Supervisor, general manager and other senior management personnel is interestedrelated.

~~**Article 210** In the event that before the Company considers to enter into a contract, transaction or arrangement for the first time, a Director, Supervisor, general manager and other senior management personnel of the Company gives a written notice to the Board of Directors stating that due to the contents of the notice, such Director, Supervisor, general manager or senior management personnel of the Company has an interest in the contract, transaction or arrangement that may subsequently be entered into by the Company, such Director, Supervisor, general manager and other senior management personnel shall be deemed, for~~

the purposes of the preceding Articles of this Chapter, to have declared his/her interest to the extent of the scope stated in the notice.

Article 211 The Company shall not pay taxes for or on behalf of a Director, Supervisor, general manager and any other senior management personnel in any manner.

Article 212 The Company shall not, directly or indirectly, provide loans or any loan guarantees to the Directors, Supervisors, general manager and other senior management personnel of the Company or of its parent company, or provide loans or any loan guarantees to any associate(s) of the above-mentioned persons.

The provisions of the preceding paragraph are not applicable to the following circumstances:

- (I) the provision by the Company of a loan or a loan guarantee to its subsidiary;
- (II) the provision by the Company of a loan, a loan guarantee or any other funds to the Directors, Supervisors, general manager and other senior management personnel of the Company to pay the expenses incurred by him/her for the purposes of the Company or for enabling him/her to properly perform his/her duties, in accordance with the terms of an employment contract approved at a general meeting;
- (III) the Company may provide a loan or a loan guarantee to any of relevant Directors, Supervisors, general manager and other senior management personnel and their respective Associates within the normal scope of its business and on normal commercial terms, provided that such scope includes the provision of loans or loan guarantees.

Article 213 A loan made by the Company in breach of the preceding Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Article 214 A loan guarantee provided by the Company in breach of Clause (I) of Article 212 shall not be enforceable against the Company, unless:

- (I) at the time the loan was provided to an Associate of any of the Directors, Supervisors, general manager and other senior management personnel of the Company or of its parent company, the lender was not aware of the relevant circumstances;
- (II) the collateral provided by the Company was lawfully disposed of by the lender to a bona fide purchaser.

Article 215 For the purposes of the preceding Articles of this Chapter, the term “guarantee” includes an act whereby the guarantor assumes its liability or provides property to secure the performance of obligations by the obligor.

~~Article 216~~ In addition to various rights and remedies provided by the laws and administrative regulations, where a Director, Supervisor, general manager and other senior management personnel of the Company breaches his/her duties to the Company, the Company has the right to:

- ~~(I) claim damages from the Director, Supervisor, general manager and other senior management personnel in compensation for the losses sustained by the Company as a result of such breach;~~
- ~~(II) rescind any contract or transaction which has been entered into between the Company and such Director, Supervisor, managers and other senior management or between the Company and a third party (where such third party knows or should have known that such Director, Supervisor, general manager and other senior management representing the Company has breached his/her duties to the Company);~~
- ~~(III) demand an account of the profits made by the Director, Supervisor, general manager and other senior management personnel in breach of his/her obligations;~~
- ~~(IV) recover any monies received by the Director, Supervisor, general manager and other senior management personnel which should otherwise have been received by the Company, including but not limited to commissions;~~
- ~~(V) demand such Director, Supervisor, general manager and other senior management personnel to return any interests accrued or may be accrued on the monies which otherwise should have been paid to the Company;~~
- ~~(VI) to initiate legal proceedings to determine the property acquired by Directors, Supervisors, general manager and other senior management personnel through their breach of duties to be belonged to the Company.~~

~~Article 217~~Article 179 The Company shall enter into a written contract with each Director, Supervisor, general manager and other senior management personnel and such contract shall at least include the following provisions:

- (I) the Directors, Supervisors, general manager and other senior management personnel shall undertake to the Company that he/she will observe and comply with the Company Law, ~~the Special Provisions~~, the Articles of Association, the Codes on Takeovers and Mergers and Share Buybacks, and other provisions formulated by SFC and the Hong Kong Stock Exchange, and agree that the Company is entitled to the remedies provided in the Articles of Association and that neither the contract nor his/her position of office may be transferred.
- (II) the Directors, Supervisors, general manager and other senior management personnel shall undertake to the Company that he/she shall observe and perform his/her duties to the Shareholders as stipulated in the Articles of Association.

(III) the ~~arbitration~~ clause provided for in relevant laws and regulations Article 270 hereof and in the Hong Kong Listing Rules.

~~Article 218~~ The Company shall enter into written contracts with the Directors and Supervisors of the Company in respect of their remunerations. Such contracts are required to be approved at the general meeting. The abovementioned remunerations include:

~~(I) emoluments for serving as a Director, Supervisor or a member of senior management of the Company;~~

~~(II) emoluments for serving as a director, supervisor or a member of senior management of a subsidiary of the Company;~~

~~(III) remunerations for provision of other services for management of the Company and its subsidiaries;~~

~~(IV) compensation for loss of office or retirement of such Director or Supervisor.~~

Except pursuant to the aforementioned contract, a Director or Supervisor may not take legal actions against the Company for any benefits payable to him/her in respect of the aforesaid matters.

~~Article 219~~ The contracts regarding remunerations entered into between the Company and its Directors and Supervisors shall provide that in the event of a takeover of the Company, the Company's Directors and Supervisors, subject to the prior approval of the general meeting, have the rights to receive compensation or other payment for loss of their office or for their retirement. The term takeover of the Company mentioned above refers to any of the following occasions:

~~(I) a person makes a tender offer to all the Shareholders;~~

~~(II) a person makes a tender offer so as to enable the offeror to become a Controlling Shareholder as defined in Article 271 of the Articles of Association.~~

If any Director or Supervisor fails to comply with this Article, any fund received by him/her shall belong to those persons that have sold their Shares as a result of their acceptance of the foregoing offer, and the expenses incurred from the distribution of such funds on a pro-rata basis shall be borne by relevant Director or Supervisor and may not be paid out of such funds.

Chapter 9 Financial and Accounting System, Distribution of Profits and Audit

Section 1 Financial and Accounting System

~~Article 220~~Article 180 The Company shall establish its financial accounting system in accordance with the provisions of the laws, administrative regulations and the provisions of competent state authorities.

~~Article 221~~Article 181 The Company shall prepare financial reports at the end of each fiscal year, and such reports shall be examined and verified.

The fiscal year of the Company shall coincide with the calendar year of January 1 through December 31 on the Gregorian calendar.

The abovementioned financial accounting reports are prepared in accordance with relevant laws, administrative regulations, departmental rules and the Hong Kong Listing Rules.

~~Article 222~~Article 182 The Board of Directors shall make available before every general meeting such financial reports prepared by the Company in accordance with relevant laws, administrative regulations, departmental rules, regulatory documents and the Hong Kong Listing Rules.

~~Article 223~~ The Company's financial reports shall be made available for Shareholders' inspection at the Company 20 days before the date of annual general meetings. Each Shareholder of the Company is entitled to obtain a copy of the financial reports referred to in this Article.

Article 183 Unless otherwise specified in the Articles of Association, the Company shall deliver, by personal delivery or prepaid post, the abovementioned reports or the report of Directors, together with the balance sheet (including every document to be attached to the balance sheet as required by laws) and profit statement or the statement of income and expenditure (if applicable), to each Shareholder of H Shares at the address as registered in the register of members at least 21 days before such annual general meeting. Subject to the compliance with the laws, administrative regulations and the listing rules of the place where the Shares of the Company are listed, the Company may publish such documents by way of announcements, including announcement via the Company's website. Upon announcement and after completion of the procedures required by the listing rules of Hong Kong, the abovementioned financial reports are deemed to have been served to all Shareholders.

~~Article 224~~ The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or the accounting standards of the overseas place where the Shares of the Company are listed. If there is any material difference between the financial statements prepared in accordance with the two accounting standards, such difference shall be stated in the notes to the financial statements. In the event that Company intends to distribute its after-tax profits for relevant accounting years, the lower of the after-tax profits as shown in the aforesaid two financial statements shall be adopted.

~~Article 225~~ Any interim results or financial information published or disclosed by the Company shall be prepared in accordance with the PRC accounting standards and regulations, and also in accordance with either international accounting standards or the accounting standards of the overseas place where the Shares of the Company are listed.

~~Article 226~~Article 184 The Company shall disclose two financial reports in each accounting year, i.e., its interim financial reports within 60 days after the end of the first six months of an accounting year and its annual financial reports within 120 days after the end of the accounting year.

The regulations of the securities regulatory authorities of Hong Kong shall prevail over any other regulations.

~~Article 227~~Article 185 The Company shall not maintain any account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

~~Article 228~~Article 186 In the event of allocation of its after-tax profits for the year, the Company shall set aside 10% of its profits for the ~~the~~ Company's statutory common reserve fund until the fund has reached more than 50% of the Company's registered capital.

In the event that the Company's statutory common reserve fund is not sufficient to make up for the Company's losses for the previous years, the profits of the current year shall first be used to cover the losses before any allocation is set aside for the statutory common reserve fund pursuant to the preceding provision.

After making allocations to the statutory common reserve fund from its after-tax profits, the Company may, upon passing a resolution at a general meeting, make further allocations from its after – tax profits to the discretionary common reserve fund.

After the Company covers its losses and makes allocations to its discretionary common reserve fund, the remaining after-tax profits may be distributed in proportion to the number of Shares held by the Shareholders, except for those which are not distributed in a proportionate manner as provided by the Articles of Association.

In the event that distribution of profits to Shareholders is approved at a general meeting before losses are covered and allocations are made to the statutory common reserve fund, the profits so distributed in violation of the preceding requirements must be returned to the Company.

The Company shall not participate in the distribution of profits in respect of the Shares that it holds.

~~Article 229~~Article 187 The Company's common reserve fund shall be applied to cover the losses of the Company, expand its business operations or be converted to increase the capital of the Company. However, the capital reserve fund may not be used to cover the Company's losses.

Capital reserve fund includes the following items:

- (I) premium received when Shares are issued at a premium to their par value;
- (II) any other income required by the competent finance department of the State Council to be included in the capital reserve fund.

Upon the conversion of statutory common reserve fund into capital, the balance of the common reserve fund shall not be less than 25% of the registered capital of the Company before such conversion.

~~Article 230~~Article 188 After the resolution on the profit distribution plan has been adopted at the general meeting of the Company, the Board of Directors of the Company shall complete the distribution of dividends (or Shares) within two months from the convening of the general meeting.

~~Article 231~~Article 189 The Company may distribute dividends in the form of (or a combination of both):

- (I) cash;
- (II) shares.

Dividend and other payments by the Company to the holders of the Domestic Shares shall be denominated and declared in RMB and paid in RMB within 3 months after the declaration of the dividend, whereas those to holders of the Foreign Shares shall be denominated and declared in RMB and paid in foreign currencies within 3 months after the declaration of the dividend. The exchange rate shall be the average closing price of the relevant foreign exchange published by the People's Bank of China 5 working days before the date of declaration of the dividends or other payment. The foreign currency for cash dividends and other payments by the Company to the holders of Foreign Shares shall be handled in accordance with relevant state regulations on foreign exchange control. The dividend distribution of the Company shall be implemented by the Board of Directors authorized by an ordinary resolution approved by the general meeting.

~~Article 232~~**Article 190** The Company shall appoint a receiving agent for the holders of H Share. The agent shall collect on behalf of relevant Shareholders the dividends distributed and other amounts payable in respect of H Shares.

The receiving agent appointed by the Company shall meet the requirements of the laws of the place, or relevant provisions of the stock exchange, where the Shares are listed.

~~The receiving agent appointed by the Company for the holders of H Shares listed in Hong Kong shall be a trust company registered under the Trustee Ordinance of Hong Kong.~~

Section 2 Internal Audit

~~Article 233~~**Article 191** The Company is in place an internal audit system and assign full-time auditing staff to conduct internal audit and supervision on the income and expenditure and economic activities of the Company.

~~Article 234~~**Article 192** The internal audit system and the duties of the auditing staff of the Company shall come into effect upon approval by the Board of Directors. The person in charge of audit shall be accountable and report to the Board of Directors.

Section 3 Engagement of Accounting Firm

~~Article 235~~**Article 193** The Company shall engage an accounting firm which is qualified under the provisions of the Securities Law to audit accounting statements, verify net assets and provide other relevant consultation services. The term of such engagement is one year, commencing from the conclusion of the current annual general meeting of the Company until the conclusion of the next annual general meeting. The engagement may be renewed.

~~Article 236~~**Article 194** The engagement of an accounting firm by the Company shall be determined at the general meeting, and the Board of Directors shall not engage an accounting firm before any decision is made at the general meeting.

~~Article 237~~**Article 195** If there is a casual vacancy in the position of accounting firm of the Company, the Board may appoint an accounting firm to fill such casual vacancy before the convening of the general meeting, but the appointment shall be confirmed by the Shareholders at the next general meeting. Any other accounting firm which has been appointed by the Company may continue to act during the period of such vacancy.

~~Article 238~~ The accounting firm appointed by the Company shall have the following rights:

(1) ~~to inspect the account books, records or vouchers of the Company at any time, and has the right to require Directors, managers or other senior management to provide relevant information and explanation;~~

~~(H) to require the Company to take all reasonable measures to obtain information and explanation from its subsidiaries that are required by the accounting firm to perform its duties;~~

~~(H) to be present at the general meeting, receive notice of the general meeting that any Shareholder is entitled to or other information related to the general meeting, and deliver speeches at any general meeting for matters in respect to its position as the accounting firm of the Company;~~

~~Article 239~~**Article 196** Notwithstanding any terms stipulated in the contract between the accounting firm and the Company, the general meeting may, by way of an ordinary resolution, resolve to remove such accounting firm before the expiration of its term of office, without prejudice to the rights of the firm to claim for damages in respect of such removal.

~~Article 240~~**Article 197** The Company ensures to provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of information.

~~Article 241~~ The remuneration of the accounting firm or the determination of the remuneration is subject to the decision of the general meeting. ~~The remuneration of such accounting firm appointed by the Board shall be determined by the Board.~~

~~Article 242~~**Article 198** The decision on engaging, removing or not renewing the engagement of an accounting firm shall be made by the general meeting and filed with the CSRC.

A 30-day prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the engagement thereof. The accounting firm is entitled to make representations at the general meeting of the Company before the voting on a resolution regarding the removal of such accounting firm is conducted thereat.

~~Where it is proposed that any resolution be passed at a general meeting concerning the engagement of an accounting firm, which is not an incumbent firm, to fill a casual vacancy in the office of the accountants' firm, or to recognize an accounting firm which was engaged by the Board of Directors to fill a casual vacancy in accordance with the Articles of Association, or to remove the accounting firm before the expiration of its term of office, the following provisions shall apply:~~

~~(I) prior to the delivery of the notice of the general meeting, such proposal regarding the appointment or dismissal shall be delivered to such accounting firm which is to be appointed or to leave the office or which has left during the relevant accounting year. Leaving the office includes dismissal, resignation and retirement.~~

~~(H) in the event that the accounting firm leaving the office has made a written statement and requests the Company to inform the Shareholders of such statement, the Company shall adopt the following measures unless it has received such written statement too late:~~

- ~~1. in the notice issued for making a resolution, it is expressly stated that the accounting firm leaving the office having made a statement;~~
- ~~2. a copy of such statement shall be made as an attachment to the notice delivered to each Shareholder in the manner as provided in the Articles of Association.~~

~~(HI) in the event that the Company fails to deliver the statement of the relevant accounting firm pursuant to the provisions of clause (H) in this Article, the relevant accounting firm may request to read out such statement at the general meeting and shall further make a complain.~~

~~(IV) the outgoing accounting firm shall have the right to attend the following meetings:~~

- ~~1. the general meeting scheduled to be held during its term of office;~~
- ~~2. the general meeting for filling the vacancy caused by the dismissal of such accounting firm;~~
- ~~3. the general meeting convened due to the voluntary resignation of such accounting firm.~~

~~Such outgoing accounting firm shall have the right to receive all notices regarding the foregoing meetings or any other information related to the meetings and shall have the right to deliver speeches at the foregoing meetings for matters in respect to its previous position as the accounting firm of the Company.~~

~~Where the accounting firm resigns, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.~~

~~An accounting firm may resign by depositing a resignation notice at the Company's registered office. The notice shall become effective on the date of such deposit or on such later date as may be specified in the notice. Such notice includes the following statements:~~

~~(I) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the attention of the Shareholders or creditors of the Company; or~~

~~(II) a statement of any other circumstances requiring an explanation.~~

~~The Company shall send a copy of the written notice referred to in the preceding paragraph to the relevant competent authorities within fourteen days after receipt. If the notice contains a statement as mentioned in clause (I) and (II) of the preceding paragraph, a copy of such statement shall be maintained at the Company for the inspection of the Shareholders. The Company shall also send a copy of such statement by prepaid post to each holder of H Shares at the address recorded in the register of members. The Company may issue or publish such statement by way of announcement (including announcement via the Company's website); subject to the laws, administrative regulations and the listing rules of the place where the Shares of the Company are listed.~~

~~If the notice of resignation of the accounting firm contains a statement of any other circumstances requiring an explanation, the accounting firm may require the Board to convene an extraordinary general meeting for the purpose of giving an explanation of the circumstances in connection with its resignation.~~

Chapter 10 Notice and Announcement

~~**Article 243**~~**Article 199** A notice of the Company shall be sent by:

- (I) hand;
- (II) mail;
- (III) announcement;
- (IV) fax;
- (V) email;
- (VI) publishing on the Company's website or the websites designated by the stock exchange subject to laws, administrative regulations and the Hong Kong Listing Rules;
- (VII) other means agreed between the Company and the recipient of the notice in advance or accepted by the recipient of the notice after receiving such notice;
- (VIII) other means recognized by relevant regulatory authorities of the place where the Shares of the Company are listed or provided in the Articles of Association.

Unless the context otherwise requires, the "announcement" referred to in the Articles of Association means, as to the announcements published to the holders of Domestic Shares or the announcements required to be published in the PRC according to relevant requirements and the Articles of Association, an announcement published on any newspaper in the PRC as stipulated under the laws and administrative regulations of the PRC or designated by the securities authority of the State Council; notices delivered to the Shareholders of overseas listed foreign shares, where the notices are published as announcements, shall be on the same

date submitted in electronic form to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange's electronic publication system for immediate release on the website of the Hong Kong Stock Exchange in accordance with the requirements of the local listing rules or in newspapers (including advertisements in newspapers) in accordance with the requirements of the local listing rules. Announcements shall also be published on the Company's website at the same time. In addition, unless otherwise required in the Articles of Association, the announcements must be served by hand or prepaid mail to the registered address as set out in the register of holders of overseas listed foreign shares so that the Shareholders are fully informed and have enough time to exercise his/her rights or act as required by the provisions of the notice.

Shareholders of the Company's overseas listed foreign shares may select to receive corporate communication from the Company in electronic form or printed copies by mail, and the Shareholders may also select to receive Chinese or English version only, or both. Shareholders may give written notice in advance to the Company within reasonable time to revise the method of receiving foregoing information and its language version under appropriate procedures.

Shareholders or Directors who wish to prove that a notice, document, information or written statement has been served to the Company shall provide evidence showing the same has been served to the correct address by ordinary means or by prepaid mail within the designated periods.

Notwithstanding the preceding paragraph specifies the provision and/or dispatching of written corporate communication to Shareholders, as for the means by which the Company provides and/or dispatches its corporate communication to Shareholders according to the Listing Rules of the Hong Kong Stock Exchange, if the Company has obtained Shareholders' prior written consent or deemed consent according to relevant laws and regulations and the Listing Rules of the Hong Kong Stock Exchange as amended from time to time, the Company may dispatch or provide corporate communication to its Shareholders by electronic means or via its website. Corporate communication includes but not limited to circulars, annual reports, interim reports, quarterly reports, notices of shareholders' general meetings, and other types of corporate communication as specified in the Listing Rules of the Hong Kong Stock Exchange.

~~Article 244~~Article 200 Unless otherwise stated in the Articles of Association, the various means of releasing notices specified in the preceding provisions shall apply to the notices of the general meeting, board meetings and the meetings of the Board of Supervisors convened by the Company.

~~Article 245~~Article 201 Once a notice of the Company is delivered in the form of announcement, all related persons are deemed to have been notified after conducting relevant procedure as stipulated in the Listing Rules of the place where the Company's Shares are listed.

The listing rules of the place where the Company's shares are listed shall prevail over any other rules.

~~Article 246~~Article 202 If a notice of the Company is delivered by hand, the date of service shall be the date when the recipient signed or stamped to acknowledge receipt of the same; for notice of the Company sent by mail, the date of service shall be the fifth day from the date on which the post office receives the notice; If the Company's notice is sent by fax, the date of service shall be the date when the fax enters the designated receiving system of the person to be served. If the Company's notice is sent by mail, the date of service shall be the date when the e-mail enters the mailbox system designated by the person to be served. If it is issued by announcement, the date of delivery shall be the date when the Company publishes the first announcement in the designated media.

If the listing rules of the place where the Company's Shares are listed stipulate that the Company shall send, post, distribute, issue, announce or otherwise provide relevant documents of the Company in English and Chinese, and if the Company has made appropriate arrangement to confirm whether the Shareholders intend to receive only the English version or the Chinese version, the Company may (as per the intent stated by the Shareholders) send only the English version or the Chinese version to the related Shareholders as permitted by applicable laws and regulations.

~~Article 247~~Article 203 If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting, the meeting and any resolutions made therein shall not become void thereby.

Chapter 11 Merger, Division, Increase and Reduction of Capital, Dissolution and Liquidation

Section 1 Merger, Division, Increase and Reduction of Capital

~~Article 248~~Article 204 For a merger or division of the Company, the Board shall put forward a proposal, and fulfill the procedures for approval in accordance with the law after the proposal is approved in accordance with the procedures specified in the Articles of Association of the Company. Shareholders who oppose the Company's merger or division plans have the right to require the Company or the Shareholders who agree to the merger or division plans to purchase the Shares of such Shareholders at a fair price. The content of the resolution on the merger or division of the Company shall be prepared in a special document, which shall be available for Shareholders to inspect. With regard to the holders of H shares of the Company listed in Hong Kong, the aforesaid documents shall also be served by mail in accordance with the provisions in Chapter 10 in the Article of Association.

~~Article 249~~Article 205 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

Absorption means that a company absorbs another company and the absorbed company will be dissolved. Where two or more companies merge into a new company, companies involved in the merger will be dissolved.

~~Article 250~~Article 206 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify

its creditors within 10 days from the date of the Company's merger resolution and shall publish an announcement on the information disclosure media designated by the Company within 30 days from the date of such resolution. The creditors may, within 30 days after receiving such notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts.

~~Article 251~~Article 207 After the merger of the Company, the claims and debts of the parties to the merger shall be assumed by the surviving company or the newly established company.

~~Article 252~~Article 208 When the Company is divided, its assets shall be split up accordingly. In the event of a division, the Company shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days from the date of the Company's resolution on division, and shall publish an announcement on the information disclosure media designated by the Company within 30 days from the date of such resolution.

~~Article 253~~Article 209 The companies which exist after the division shall be jointly and severally liable for the debts of the Company prior to the division, except when the Company has reached a written agreement on debt settlement with the creditors before the division.

~~Article 254~~Article 210 Where the Company is required to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days from the date of the Company's resolution on reduction of registered capital and shall publish an announcement on the information disclosure media designated by the Company within 30 days from the date of such resolution. The creditors may, within 30 days after receiving such notice or, for those who do not receive the notice, within 45 days from the date of the announcement, demand the Company to settle their debts or provide corresponding guarantees for such debts.

The registered capital of the Company after reduction shall not be less than the statutory minimum amount.

~~Article 255~~Article 211 Where a merger or division of the Company involves any change in the registered items, such changes shall be registered with the company registration authority according to law. Where the Company is dissolved, cancellation of the Company's registration shall be carried out according to law. Where a new company is formed, the registration of such company's incorporation shall be carried out pursuant to law.

In the event that the Company increases or decreases its registered capital, it shall register the changes with the company registration authority in accordance with the laws.

Section 2 Dissolution and Liquidation

~~Article 256~~Article 212 The Company shall be dissolved for the following reasons:

- (I) a resolution on dissolution is passed at a general meeting;
- (II) dissolution as a result of a merger or division of the Company;
- (III) the Company's business license is revoked or the Company is ordered to close down or deregistered according to law;
- (IV) where the Company encounters major difficulties in its operation and management and its continuation may cause substantial loss to the interests of Shareholders, and no solution can be found through any other channel, Shareholders holding more than 10% of the voting rights of all Shareholders of the Company may request the People's Court to dissolve the Company;
- (V) other events of dissolution specified in laws, regulations and the Articles of Association have occurred.

~~Article 257~~Article 213 Where the Company is dissolved in accordance with the preceding items (I), (II), (IV) or (V), a liquidation committee shall be established to commence liquidation within fifteen days from the date of occurrence of dissolution events. The members of the liquidation committee shall be determined by the Directors or the general meeting. In case no liquidation committee is established within the specified period to commence liquidation, creditors may apply to the People's Court to designate relevant persons to form a liquidation committee and commence liquidation.

~~Article 258~~ If the Board of Directors decides that the Company shall be liquidated (except for such liquidation as a result of the Company's declaration of bankruptcy), the notice of the general meeting convened for such purpose shall include a statement that the Board of Directors has made full inquiry into the conditions of the Company and is of the opinion that the Company can settle all its debts within 12 months after the liquidation has commenced.

~~Upon the passing of the resolution to liquidate the Company at the general meeting, the functions and powers of the Board of Directors of the Company shall cease immediately.~~

~~The liquidation committee shall take instructions from the general meeting and report to the general meeting on the liquidation committee's income and expenditure, the business of the Company and the progress of the liquidation at least once per year. The committee shall also make a final report to the general meeting upon the completion of such liquidation.~~

~~Article 259~~**Article 214** The liquidation committee shall exercise the following functions and powers during the period of liquidation:

- (I) sorting out the property of the Company, and preparing a balance sheet and an inventory of assets separately;
- (II) serving notices or making announcements to creditors;
- (III) processing the unfinished businesses of the Company related to the liquidation;
- (IV) clearing off the outstanding taxes and the taxes incurred in the course of liquidation;
- (V) clearing off credits and debts;
- (VI) disposing of the residual property of the Company after settling debts;
- (VII) participating in the civil litigation on behalf of the Company.

~~Article 260~~**Article 215** The liquidation committee shall, within 10 days of its establishment, notify the creditors, and shall, within 60 days of its establishment, make an announcement on the information disclosure media designated by the Company. The creditors shall, within 30 days of the receipt of the notice or, for those who do not receive the notice, within 45 days from the date of the announcement, file their creditors' rights with the liquidation committee.

Creditors who file their creditors' rights shall explain about the matters related to creditors' rights and provide supporting materials. The liquidation committee shall register the creditors' rights.

The liquidation committee may not clear off any of the debts of any creditors during the period of filing creditors' rights.

~~Article 261~~**Article 216** After the liquidation committee has sorted out the property of the Company and prepared the balance sheets and inventories of assets, it shall prepare a plan of liquidation and submit it to the general meeting or People's Court for confirmation.

After settling the liquidation expenses, wages of employees, social insurance premiums and statutory compensation, the outstanding taxes and the debts of the Company, the residual property of the Company shall be distributed in proportion to shareholding of the Shareholders.

During the period of liquidation, the Company continues to exist but may not carry out any business operation unrelated to the liquidation. Before the settlement of repayments as provided in the preceding paragraphs, the Company's property shall not be distributed to Shareholders.

~~Article 262~~Article 217 Should the liquidation committee find that the property of the Company are insufficient for clearing off the debts after sorting out such property and preparing the balance sheets and inventories of assets, it shall apply to the People's Court to declare the Company's bankruptcy pursuant to laws.

Once the People's Court declares the bankruptcy of the Company, the liquidation committee shall hand over the liquidation matters to the People's Court.

~~Article 263~~Article 218 Following the completion of the liquidation of the Company, the liquidation committee shall prepare a liquidation report, an income and expenditure statement and financial accounts in respect of the liquidation period and, after verification thereof by a certified public accountant in China, such committee shall submit the same to the general meeting or relevant competent authorities for confirmation. Within 30 days from the date of the said confirmation made by the general meeting or relevant competent authorities, ~~t~~The Company shall submit the same to the company registration authority to apply for deregistration of the Company and announce its termination.

~~Article 264~~Article 219 Members of the liquidation committee shall act faithfully in discharge of their duties and shall perform their liquidation obligations in accordance with the law.

Members of the liquidation committee shall not abuse their authority to accept any bribes or other illegal income and shall not seize the Company's property.

Any member of the liquidation committee who willfully or through gross negligence causes losses to the Company or its creditors shall be liable for compensation.

~~Article 265~~Article 220 Where the Company is declared bankrupt in accordance with the law, it shall carry out bankruptcy liquidation in accordance with relevant corporate bankruptcy laws.

Chapter 12 Amendment to Articles of Association

~~Article 266~~Article 221 Under any of the following circumstances, the Company shall amend the Articles of Association:

- (I) after amendment has been made to the Company Law or relevant laws or administrative regulations, the provisions of the Articles of Association will conflict with the amended laws or administrative regulations;
- (II) the changes that the Company has undergone are not in consistency with the records made in the Articles of Association;
- (III) the general meeting decides that the Article of Association should be amended.

~~Article 267~~Article 222 Where amendments to the Articles of Association passed by resolutions at the general meeting require examination and approval by competent authorities,

such amendments shall be submitted for approval by the original competent approval authorities. Should the items registered by the Company are involved, such changes shall be registered according to law.

~~Article 268~~**Article 223** The Board of Directors shall amend the Articles of Association according to the resolutions of the general meeting and the review opinions of the relevant competent authority.

~~Article 269~~**Article 224** Any amendment to the Articles of Association that involves information to be disclosed as required by laws and regulations shall be announced to the public as required.

Chapter 13—Settlement of Disputes

~~Article 270~~ The Company shall comply with the following rules in settling disputes:

~~(I) in the event of any disputes or claims concerning the affairs of the Company based on the rights and obligations provided in the Articles of Association, the Company Law and other relevant laws and administrative regulations between a holder of overseas listed Shares and the Company, between a holder of overseas listed Shares and a Director, Supervisor or senior management personnel of the Company, and between a holder of overseas listed Shares and a holder of Domestic Shares, the parties concerned shall resolve such disputes and claims through arbitration.~~

~~Where the aforesaid dispute or claim is submitted for arbitration, the entire claim or dispute shall be resolved through arbitration; all persons who have a cause of action based on the same facts that give rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim shall accept the arbitration award if they are the Company or its Shareholders, Directors, Supervisors or senior management personnel.~~

~~Disputes related to the definition of Shareholders and Shareholders' register may be settled by methods other than arbitration.~~

~~(II) the party seeking arbitration may opt for arbitration either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must proceed with such arbitration at the arbitral institution selected by the party seeking the arbitration.~~

~~If the party seeking arbitration opts for arbitration at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre.~~

~~(III) if any disputes or claims are settled by way of arbitration in accordance with item (I) of this Article, the laws of the People's Republic of China shall apply, save as otherwise provided in laws and regulations.~~

~~(IV) the award of the arbitral institution is final and shall be binding on the parties thereto.~~

Chapter 134 Supplementary Provisions

~~Article 271~~ Article 225 Definitions

(I) The term “~~e~~Controlling Shareholder” means a person that satisfies any of the following conditions:

- ~~1. He/she, acting alone or in concert with others, has the power to elect more than half number of Directors;~~
- ~~2. He/she, acting alone or in concert with others, has the power to exercise or control the exercise of 30% or more of the amount of Shares of Company's voting rights;~~
- ~~3. He/she, acting alone or in concert with others, holds the amount of Shares 30% of the issued and outstanding Shares of the Company;~~
- ~~4. He/she, acting alone or in concert with others, is able to actually control the Company in any other manner.~~**a shareholder whose capital contribution amounts to more than 50% of the total capital of a company with limited liability, or a shareholder whose shares amount to more than 50% of the total share capital of a joint stock limited company; or a shareholder whose proportion of capital contribution or shares is less than 50% but the voting right arising from his/her capital contribution or the shares is significant to the extent that such shareholder may exert significant influence over the shareholders' general meeting or the resolution of the shareholders' general meeting.**

~~For the purpose of this Article, the term “in concert with others” refers two or more persons, by an agreement (whether verbal or written), obtain the voting rights of the Company through one of them, in order to control or consolidate the control of the Company.~~

(II) A de facto controller means a person who is not a Shareholder of the Company, but actually controls corporate behaviors through investment relationship, agreements, or any other arrangements.

~~Article 272~~**Article 226** The phrases “more than”, “within” and “below” herein for the numbers include the numbers indicated themselves, while the phrases “exceed”, “fall short”, “beyond”, “lower than” and “over” exclude the numbers indicated themselves.

~~Article 273~~**Article 227** Disputes concerning the provisions of the Articles of Association of the Company among the Company, Shareholders, Directors, Supervisors and senior management shall be first settled through negotiation. Where the disputes cannot be settled through negotiation between the parties, each party has the right to submit litigation to the People’s Court with jurisdiction over the Company’s place of incorporation.

~~Article 274~~**Article 228** In the Articles of Association, references to “accounting firm”, “related” and “related parties” shall have the same meaning as the “auditor”, “connected” and “connected person” referred to the Hong Kong Listing Rules.

~~Article 275~~**Article 229** It shall be the responsibility of the Board of Directors to interpret the Articles of Association.

~~Article 276~~**Article 230** The rules of procedures for shareholders’ general meetings, meetings of the Board of Directors and meetings of the Board of Supervisors are annexed to the Articles of Association.

~~Article 277~~**Article 231** The Articles of Association shall take effect after being considered and approved at the general meeting of the Company, ~~and shall take effect from the date when the H Shares issued by the Company are publicly listed on the Hong Kong Stock Exchange.~~ The draft amendments to the Articles of Association shall be prepared by the Board of Directors and shall take effect upon the approval at a general meeting.

~~Article 278~~**Article 232** The Articles of Association are prepared in Chinese, and any discrepancies between the Articles of Association and other languages or versions in other Articles of Association, the latest Chinese version shall prevail that as approved by the competent authority in charge of the Company’s registration. Should there be any discrepancies between the versions in other languages and the Chinese version, the Chinese version shall prevail.

**APPENDIX II PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
FOR THE GENERAL MEETING**

ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.

**RULES OF PROCEDURE
FOR THE SHAREHOLDERS' GENERAL MEETING**

Article 1 Purpose

The rules of procedure are formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, ~~the Mandatory Provisions for Companies Listing Overseas, the Official Reply of the State Council on Adjusting the Application of Provisions to Matters Including the Notification Period for Convening Shareholders' Meetings by Overseas Listed Companies (the "Reply of the Notification Period for Shareholders' Meetings")~~, and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**") and other relevant laws, administrative regulations, departmental rules and standardized documents, as well as the Articles of Association of Zhejiang Leapmotor Technology Co., Ltd. (the "**Articles of Association**"), for the purpose of protecting the legitimate rights and interests of the Company and its Shareholders, regulating the convening, holding and voting mechanism of general meetings of the Company, and safeguarding the fair and lawful exercise of Shareholders' rights and performance of Shareholders' obligations by all Shareholders of the Company.

Article 2 Validity

The rules of procedure shall, from its effective date, become a legally binding document regulating the organization and activities of general meetings of the Company and the rights and obligations of its Shareholders.

Article 3 Ordinary Proposal Rights

The following persons or bodies shall be entitled to make proposals at the general meetings convened by the Company:

- (I) the Board of Directors;
- (II) the Board of Supervisors;
- (III) Shareholder(s) individually or in aggregate holding more than 3% of the Company's Shares.

A proposal by Shareholders shall be subject to the following conditions:

- (I) its contents shall not be in conflict with the laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, and shall fall within the business scope of the Company and the scope of authority of the general meetings;

- (II) it shall set out specific subjects and matters to be resolved;
- (III) it shall be submitted or delivered to the convener in writing.

Proposals shall be submitted in accordance with the following procedure:

- (I) Shareholder(s) individually or in aggregate holding more than 3% of the Company's Shares may submit an interim proposal to the convener in writing 10 days before the general meeting. The convener shall issue a supplementary notice of general meeting within two days after receiving the proposal to notify the contents of the interim proposal.
- (II) Except for the circumstances specified in the preceding paragraph, the convener shall not modify the proposals listed in the notice of general meeting or add new proposals after issuing the notice of general meeting.
- (III) For proposals that are not listed in the notice of general meeting or that do not comply with the requirements of laws and regulations, the Articles of Association and the Rules, the general meeting shall not vote and make resolutions thereon.

Article 4 Rights of Nominating Directors and Supervisors

The Board of Directors, the Board of Supervisors and Shareholder(s) individually or in aggregate holding more than 3% of the Company's Shares may nominate candidates for Directors and non-employee representative Supervisors in writing to the general meeting for election at the general meeting;

The employee representative Supervisor of the Board of Supervisors shall be elected at the employee representative assembly.

Article 5 Types of General Meetings

General meetings comprise annual general meetings and extraordinary general meetings.

Article 6 Notice

A notice of annual general meeting shall be given to all Shareholders ~~20~~²¹ clear-working days before the meeting. A notice of extraordinary general meeting shall be given to all Shareholders 15 days ~~or 10 working days (whichever is longer)~~ prior to the meeting. The date on which the meeting is convened shall be excluded for calculating the starting period of the prior notice. If there is an interim proposal, a supplementary notice must also be issued in accordance with the provisions of the Rules.

If a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or if such person has not received the notice of meeting, the general meeting and any resolutions made therein shall not become void thereby.

Article 7 Requirements on Notice

The notice of a general meeting shall:

- (I) be in writing;
- (II) specify the time, place and date of the meeting;
- (III) specify matters to be discussed at the meeting;
- (IV) provide Shareholders with information and explanations necessary for them to make sound decisions on the matters to be discussed; this principle includes (but is not limited to) the provision of the specific terms and contracts (if any) of the proposed transactions and detailed explanations about the causes and effects when the Company proposes mergers, repurchase of Shares, capital reorganization or other reorganization;
- (V) disclose the nature and extent of the material interest of any Director, Supervisor, general manager and other senior management personnel in the matters to be discussed and the difference of the effects of the proposed matters on them in their capacity as Shareholders from the effects on other Shareholders;
- (VI) set out the full text of any special resolutions to be passed at the meeting;
- (VII) include a conspicuous statement that Shareholders entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote on their behalf, and such proxies need not to be Shareholders of the Company;
- (VIII) specify the equity registration date of Shareholders entitled to attend the general meeting;
- ~~(IX) include the name and phone number of the permanent contact person for conference affairs;~~
- (IX) set out the time and place of delivering the power of attorney for proxy voting at the meeting.

Article 8 Notice of Amendments and Extensions

After dispatch of the notice of general meeting, the general meeting shall not be postponed or cancelled without proper reasons. The proposals listed in the notice of general meeting shall not be cancelled. In the event that the general meeting is postponed or cancelled, the convener shall make a notice at least 2 working days prior to the original date of the general meeting and expatiate on the reasons.

Article 9 Convening of the Annual General Meeting

An annual general meeting is required to be convened once every year, and shall be held within six months after the end of the previous accounting year.

If the Company does not convene an annual general meeting within the above-mentioned period without proper reasons, the Board of Directors of the Company shall give an explanation and bear the corresponding responsibility as a result.

When convening an annual general meeting, the Board of Directors shall give the notice of the general meeting to all Shareholders ~~20 clear business~~1 days prior to the date of the meeting.

Article 10 Rights of Proposing an Extraordinary General Meeting

The Board of Directors, the Board of Supervisors or Shareholder(s) individually or in aggregate holding more than 10% of Shares of the Company are entitled to propose to convene an extraordinary general meeting.

(I) The Board of Directors

The Board of Directors is entitled to propose to convene an extraordinary general meeting.

(II) The Board of Supervisors

The Board of Supervisors shall be entitled to make a proposal in writing to the Board of Directors on convening an extraordinary general meeting. The Board of Directors shall give a written reply on whether to agree to convene such meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the Board of Supervisors.

Where the Board of Directors disagrees to convene such a meeting, or fails to reply within 10 days upon receipt of the proposal, it shall be deemed that the Board of Directors cannot or does not perform its duty of convening the general meeting, and the Board of Supervisors may convene and preside over it by itself.

(III) Shareholder(s) Individually or in Aggregate Holding More Than 10% of Shares of the Company

Shareholder(s) individually or in aggregate holding more than 10% of Shares of the Company are entitled to request the Board of Directors in writing to convene an extraordinary general meeting. The Board of Directors shall, in accordance with the requirements of laws, administrative regulations and the Articles of Association, reply with a written opinion to state whether it agrees to convene an extraordinary general meeting within 10 days upon receipt of the request.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days after the date of the resolution of the Board of Directors. Any changes made to the original proposal in the notice shall be agreed by the Relevant Shareholders.

Where the Board of Directors disagrees to convene the extraordinary general meeting, or does not reply within 10 days upon receipt of the proposal, Shareholders individually or in aggregate holding more than 10% of the Shares of the Company are entitled to request the Board of Supervisors in writing to convene an extraordinary general meeting.

Where the Board of Supervisors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting within 5 days upon receiving the request. Any changes made to the original proposal in the notice shall be agreed by the Relevant Shareholders.

If the Board of Supervisors fails to issue a notice of general meeting within the prescribed time limit, it shall be deemed that the Board of Supervisors does not convene and preside over the general meeting, and Shareholders holding individually or in aggregate more than 10% of the Shares of the Company for more than 90 consecutive days can convene and preside over the general meeting by themselves.

With regard to the general meeting convened by the Board of Supervisors or Shareholders on their own, the Board of Directors and the secretary to the Board of Directors or the person in charge designated by the Board of Directors shall provide assistance.

The Company shall bear costs and expenses necessary for the general meeting convened by the Board of Supervisors or Shareholders on their own and such amount shall be charged from the amount owed by the Company to the incompetent Directors.

(IV) Independent Non-executive Directors

Independent non-executive Directors representing more than one-half of such Directors are entitled to propose to the Board of Directors in writing to convene an extraordinary general meeting. With regard to the proposal by independent non-executive Directors to convene an extraordinary general meeting, the Board of Directors shall, in accordance with the requirements of laws, administrative regulations, the Articles of Association and the Rules of Procedure, reply with a written opinion to state whether it agrees to convene an extraordinary general meeting within 10 days upon receipt of the proposal.

Where the Board of Directors agrees to convene the extraordinary general meeting, it shall issue a notice of convening the general meeting according to the requirements of the Rules of Procedure. Where the Board of Directors disagrees to convene the extraordinary general meeting, it shall explain the reasons.

Article 11 Convening of the Extraordinary General Meeting

The Company shall convene an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

- (I) when the number of Directors is less than the number as stipulated in the Company Law or two-thirds of the number prescribed in the Articles of Association;
- (II) when the unrecovered losses of the Company amount to one-third of the total amount of its paid-in share capital;
- (III) under the written request of Shareholder(s) individually or in aggregate holding more than 10% of the Company's Shares;
- (IV) when the Board of Directors considers necessary;
- (V) when the Board of Supervisors proposes to convene a meeting;
- (VI) when more than 2 independent non-executive Directors so request;
- (VII) other circumstances as stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

The number of Shares held under item (III) above shall be the figure as at the date of the written request from the Shareholders.

In the case of circumstances under items (III), (IV), (V) and (VI), the subject of the meeting proposed by the requestor convening the meeting shall be included in the agenda of the meeting.

If an extraordinary general meeting is convened, the Board of Directors shall give notice of the general meeting to all Shareholders 15 days ~~or 10 clear working days (whichever is longer)~~ prior to the meeting.

Article 12 The Work Reports of the Board of Directors and the Board of Supervisors

At an annual general meeting, the Board of Directors shall report to the general meeting on the progress of each of the matters to be dealt with by the Board of Directors as set out in the resolutions of the general meeting(s) for the past year.

At the annual general meeting, the Board of Supervisors shall report to the general meeting on matters such as supervision of the Board of Directors and senior management, including:

- (I) inspection on financial situation of the Company;
- (II) due diligence of the Directors and senior management in their performance of duties for the Company and their compliance with relevant laws, administrative regulations, the Hong Kong Listing Rules, the Articles of Association and the resolutions of general meetings;
- (III) other important matters as deemed by the Board of Supervisors to be reported at the general meeting.

The Board of Supervisors may, wherever it considers necessary, provide comments on the proposals discussed at the general meeting, and submit its independent report thereto.

Article 13 Manner of Convening

The general meeting of the Company shall have a venue and be held on-site. Without violating laws and regulations and the mandatory provisions of the listing rules of where the Company is listed, the Company may also provide convenience for Shareholders to attend the general meeting through the Internet or other means. Shareholders who participate the meeting in the aforesaid manner shall be deemed to be presented.

The Company shall convene a general meeting at the place where the Company domiciled or otherwise specified in the notice of the meeting.

Article 14 Presiding over the Meeting

A general meeting shall be presided over by the chairman of the Board of Directors. In the event that the chairman cannot or does not perform his/her duties, a Director nominated by more than half of the Directors shall preside over the meeting.

A general meeting convened by the Board of Supervisors on its own shall be presided over by the chairman of the Board of Supervisor. Where the chairman of the Board of Supervisor is unable or fails to perform his/her duties, a Supervisor shall be jointly elected by more than half of the Supervisors to preside over the meeting.

A general meeting convened by Shareholders on their own shall be presided over by a representative elected by the convener.

When a general meeting is held and the presider violates the rules of procedures of the general meeting which makes it difficult for the general meeting to continue, a person may be elected at the general meeting to act as the presider, subject to the approval of more than half of the attending Shareholders having the voting rights.

Article 15 Attendees of the Meeting

All Shareholders listed in the register on the Share registration date or the proxies thereof shall be entitled to attend and vote at the meeting;

All Directors, Supervisors and secretary to the Board of Directors or the person designated by the Board of Directors to act as the Secretary to the Board of Directors shall attend the meeting, and the general manager and other senior management members shall also be present at the meeting;

The Board of Directors is entitled to invite other persons to be present at the meeting;

The Board of Directors of the Company shall be entitled to exclude any person other than those mentioned above from attending or being present at the general meeting.

Article 16 Attendance and Proxies of the Meeting

Shareholders may attend a general meeting in person, or may entrust other proxies to attend and vote on their behalf. Natural person Shareholders who attend the meeting in person shall present their ID cards or other valid identification proofs; if a proxy is entrusted to attend the meeting, the proxy shall present his/her ID card and the Shareholder's power of attorney. Non-natural person Shareholders shall be represented at the meeting by the legal representative/executive partner or the proxy authorized by the resolution of the Board of Directors/other decision-making bodies. To attend the meeting, legal representatives/executive partners shall present their ID cards and valid certificate proving their qualification as legal representatives/executive partners; if a proxy is entrusted to attend the meeting, the proxy shall present his/her ID card and the written power of attorney issued by the Board of Directors/other decision-making bodies of the Shareholder according to law.

The instrument appointing a proxy must be in writing and signed under the hand of the appointer or his/her proxy authorized in writing. If the appointer is a legal person, the instrument shall be made under its corporate seal or signed under the hand of its legal representative.

The instrument appointing a proxy shall be deposited at the Company's domicile or such other place as specified in the notice of the meeting at least 24 hours before the time appointed for holding the meeting at which the power of attorney proposes to vote, or 24 hours before the time appointed for taking of the poll. Where the proxy form is signed by a person under

a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority is required to be notarized. Where such instrument is signed by a person under a power of attorney or other authority on behalf of the appointer, that power of attorney or other authority is required to be notarized. A notarized copy of that power of attorney or other authority together with the instrument appointing a proxy is required to be deposited at the Company's domicile or such other place as specified in the notice of the meeting. If the appointer is a legal person, the legal representative or such person authorized by the Board or other decision-making body to act as its representative may attend the general meeting of the Company. If the Shareholder is a recognized clearing house defined by relevant regulations formulated from time to time in the place where the Company's Shares are listed (the "recognized clearing house") (or its nominee), such Shareholder shall be entitled to appoint one or more persons as it deems fit to act on its behalf at any general meeting ~~or any other class meetings~~, provided in the event of more than one person are authorized, the power of attorney shall specify the number and class of Shares represented by each person so authorized. Such persons so authorized shall be entitled to exercise the rights on behalf of the recognized clearing house (or its nominee) without presenting evidence of their shareholding, notarized authorization and/or further proof showing their due authorization as if they were individual Shareholders of the Company.

Where a Shareholder has appointed a proxy to attend the general meeting, the proxy's authority shall be detailed in the power of attorney.

The power of attorney issued by the Shareholder authorizing his or her proxy to attend the general meeting should contain the following:

- (I) the name of the proxy;
- (II) whether the proxy has any voting right;
- (III) whether the proxy has the right to vote on the provisional resolution that may be included into the agenda of the general meeting;
- (IV) instruction to vote for or against or abstain from voting on each and every issue included in the agenda of the general meeting;
- (V) the date of issue and validity period of the power of attorney;
- (VI) signature (or seal) of the appointer. If the appointer is a corporate Shareholder, the seal of the corporate shall be affixed;
- (VII) if there are more than one proxy, the power of attorney shall specify the number of Shares each proxy represents.

Such form shall contain a statement that in default of such instructions, the proxy may vote as he/she thinks fit.

A vote given by a proxy in accordance with the instructions of an instrument of proxy shall be valid notwithstanding the previous death or loss of capacity of the appointer or revocation of the proxy or power of authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notice in writing of such death, insanity, revocation or transfer as aforesaid has been received by the Company before the commencement of the meeting.

The presider of the general meeting shall, before voting, announce the number of Shareholders and their proxies attending the meeting as well as the total number of their voting Shares, and the number of Shareholders and their proxies attending the meeting and the total number of their Shares shall be subject to the registration of the general meeting.

Article 17 Pre-meeting Registration

For the purpose of meeting preparation and verification of the identity of Shareholders, the convener shall be entitled to determine at its own discretion the pre-meeting registration procedure for the general meeting, and Shareholders intending to attend the meeting shall consciously comply with such registration procedure and register for the meeting at the time, place and manner specified by the convener of the general meeting.

The absence of pre-registration for the meeting does not affect Shareholders' attendance at the meeting.

Article 18 Registration for the Meeting

The convener shall jointly verify the qualification of Shareholders with the register of members, and shall register the name of the Shareholders as well as the number of their voting Shares. Such registration shall be ceased prior to the announcement by the chairman of the general meeting the number of Shareholders and their proxies present at the meeting and the total number of their respective voting Shares.

Shareholders (including proxies) shall enter the venue before the time of the general meeting specified in the notice of the general meeting, and register and confirm on-site with the meeting attendant.

Shareholders (including proxies) who arrive late after the voting at the general meeting may attend that meeting, but may not exercise their voting rights.

Article 19 Voting

All proposals shall be voted on at the general meeting on case-by-case basis. Where different proposals for the same issue are proposed, such proposals shall be voted on in the order in which they are proposed. Other than special reasons such as force majeure which results in the interruption of the general meeting or makes it impossible to come to resolution, the general meeting shall not set aside the proposals or withhold from voting.

No amendment shall be made on the proposals during the consideration at the general meeting. Any such amendments to a proposal shall be deemed as a new proposal and shall not be voted at the meeting.

Voting is conducted by open ballot at the general meeting. All Shareholders listed in the register on the equity registration date for the purpose of the general meeting shall be entitled to exercise their voting rights through on-site or other voting means that meet the requirements. In the event of multiple casting of the same vote, the results of the first casting of such vote shall prevail.

Article 20 Ballot

Shareholders (including proxies) participating in the on-site voting shall complete the ballot in writing.

The ballots are normally prepared by the secretary to the Board of Directors or the person in charge designated by the Board. The basic format shall include the name of the Shareholder (name), the number of Shares held, the matters to be voted on, the options of “for”, “against” and “abstain”, and the space for signature of the Shareholder (or proxies), etc.

Shareholders (including proxies) shall complete in writing the name of the Shareholder and the number of Shares they hold on the equity registration date on the ballot.

Shareholders shall sign on the ballot. The proxy shall also sign his/her/its own name with a proxy remark in addition to specifying the name of Shareholders. A ballot without the signature of Shareholders or proxies shall be deemed as an invalid voting, and the voting right of Shareholders in respect of the ballot shall be treated as “abstain”.

Shareholders (proxies) shall mark one of options of “for”, “against” and “abstain” on the ballot. In the event that multiple, less or no option are marked on the ballot, such ballot shall be invalid, and the voting right of Shareholders in respect of the ballot shall be treated as “abstain”. Any votes which are uncompleted, erroneously completed or illegible, or uncast votes shall be considered as a waiver of voting rights by the voter, and the results of votes carried with the Shares held by such voters shall be counted as “abstain from voting”.

Where any Shareholder is required to abstain from voting on any resolution or restricted to voting only for or only against it under the Hong Kong Listing Rules, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.

Any vote of Shareholders at the 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.

Any Shareholder who has two or more votes (including the proxies of such Shareholders) needs not to use all votes for or against any resolution at the time of voting.

Article 21 Voting Rights

Shareholders (including their proxies) shall exercise their voting rights according to the number of Shares carrying voting rights they represent, with one vote for each Share.

Shares of the Company held by the Company do not carry any voting rights, and shall not be counted in the total number of Shares carrying voting rights represented by Shareholders attending a general meeting.

Shareholders (including proxies) may, at their own discretion, decide to vote with all or part of voting rights that they are entitled to when attending the general meeting.

Shareholders (including proxies) who decide to vote with part of voting rights that they are entitled to shall clearly specify at the time of registration at the meeting, and the number of Shares to be voted shall be stated on the ballot.

Article 22 “For”

“For” represents that Shareholders (including proxies) presented at the general meeting agree on one or more resolutions proposed at the meeting for consideration. “For” shall be expressed in writing, which means an option of “for” shall be clearly marked on the ballot as directed by the presider of the meeting. An oral “for” option without completing the ballot or without clearly expressing “for” on the ballot shall be invalid, and therefore the voting rights held by such Shareholder (including his/her proxy) shall be deemed as “abstain”.

Article 23 “Against”

“Against” represents that Shareholders (including proxies) presented at the general meeting object to one or more resolutions proposed at the meeting for consideration. “Against” shall be expressed in writing, which means an option of “against” shall be clearly marked on the ballot as directed by the presider of the meeting. An oral “against” option without completing the ballot or without clearly expressing “against” on the ballot shall be invalid, and therefore the voting rights held by such Shareholder (including his/her proxy) shall be deemed as “abstain”.

Article 24 “Abstain”

“Abstain” represents that Shareholders (including proxies) presented at the general meeting abstain from voting on one or more resolutions proposed at the meeting for consideration. “Abstain” may be expressed in writing, or presumed according to the Rules. It will be treated as “abstain” if:

- (I) Shareholders (including proxies) clearly expressed “abstain” on the ballot;
- (II) Shareholders (including proxies) attended the general meeting but did not participate in the voting (except for related Shareholders who are required to abstain from voting according to laws);
- (III) Shareholders (including proxies) did not sign on the ballot;
- (IV) Shareholders (including proxies) participated in the voting, but did not fill out the ballot according to the prescribed voting method, resulting in a failure to judge whether it represents an option of “for”, “against” or “abstain”;
- (V) Shareholders (including proxies) participated in the voting and filled out the ballot according to the prescribed voting method, but did not deliver the ballot at the designated voting place before vote counting by the vote counters;
- (VI) other circumstances to be treated as “abstain” prescribed by the Rules.

Any Shareholder who is required to abstain from voting on a matter or limited to only voting for or against such matter according to the requirements of laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company’s Shares are listed, the Articles of Association and the Rules of Procedure shall abstain from voting in accordance with such requirements. Any vote by or on behalf of such Shareholders in violation of the relevant requirements or restrictions will not be counted in the voting results.

Article 25 Vote Counting and Scrutinizing

Before voting on a proposal at the general meeting, two Shareholder representatives shall be elected to participate in vote counting and scrutinizing. If any Shareholder or Supervisor is related/connected to the matters or has interests or conflicts in such matters to be considered, such Shareholder and his/her proxy or such Supervisors shall not participate in the counting or scrutinizing of votes.

When a general meeting is convened by means of on-site meeting, the presider of the general meeting shall, prior to the voting, read out the list of vote counters and scrutineer recommended by the convener of the general meeting to the Shareholders (including proxies) attending the meeting and solicit opinions from such Shareholders (including proxies). If the proportion of voting rights held by the Shareholders (including proxies) who hold an opposing opinion exceeds half of the total voting rights held by the Shareholders (including proxies)

attending the meeting, new vote counters and scrutineer shall be immediately elected. The following procedures shall be followed for the election of other vote counters and scrutineers:

All Shareholders (proxies) attending the meeting are entitled to recommend the vote counters and scrutineer. With the consent of Shareholders (including proxies) attending the meeting who represent more than half of the total voting rights, the recommending persons shall begin to perform the duties of vote counting or scrutinizing, and bear legal liabilities for the authenticity and accuracy of the statistical results.

When a proposal is voted on at the general meeting, Shareholders' representatives and Supervisors' representative shall be responsible for counting and scrutinizing ballots and announce the voting results on the spot, which shall be recorded in the minutes of the meeting.

The number of votes cast of the Company's Shareholders (proxies) who exercise their voting rights through other lawful means at the general meeting shall be included in the total number of voting rights at such general meeting together with the number of votes cast at the spot and at other voting methods conforming to the provisions.

After the voting at the general meeting, the Company shall tally the results of the on-site voting and other voting methods that meet the provisions for each proposal, and the presider of the meeting shall announce the voting status and results of each proposal at the meeting and declare whether the proposal is passed or not according to the voting results.

If the presider of the meeting has any doubt about the results of the resolutions submitted for voting, he/she may arrange a vote-counting. If the presider of the meeting does not conduct a vote-counting, and Shareholders or their proxies attending the meeting have any doubt about the results announced by the presider of the meeting, they have the right to ask for a vote-counting immediately after the announcement of the voting results, and the presider of the meeting shall immediately arrange the vote-counting.

If there is a vote-counting at a general meeting, the vote-counting results shall be recorded in the minutes. The minutes together with the signed attendance record of the Shareholders and the forms of proxy shall be kept at the Company's residence.

Article 26 Questions by Shareholders

Shareholders (proxies) present at the meeting shall have the right to ask questions, make inquiries and offer suggestions at the venue. The convener and presider of the meeting shall arrange appropriate time for each meeting in this regard. Considering the arrangement of the agenda of the meeting, the presider of the meeting has the right to decide the time and procedure for Shareholders to ask questions, make inquiries and offer suggestions. At a general meeting, the Directors, Supervisors and other senior management attending or presenting at the meeting shall make responses or explanations to inquiries and suggestions from Shareholders, unless such inquiries and suggestions are related to the Company's trade secrets that shall not be released at the general meeting.

Article 27 Doubts

After the announcement of the voting result at the general meeting, and before the end of the general meeting, the following persons shall have the right to request a recounting or counting of the votes under their supervision if they have any doubts about the voting results:

- (I) Shareholders (including proxies) present at the meeting;
- (II) Directors present at the meeting;
- (III) Supervisors present at the meeting;
- (IV) the acting secretary to the Board of Directors appointed by the Board of Directors present at the meeting;
- (V) general manager and other senior management present at the meeting;
- (VI) the scrutineer;
- (VII) the presider of the meeting.

Article 28 Resolutions of the General Meeting

The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions.

An ordinary resolution made by the general meeting shall be passed by more than one half of the voting rights held by the Shareholders with voting rights (including proxies) present at the general meeting.

A special resolution made by the general meeting shall be passed by two-thirds of the voting rights held by the Shareholders with voting rights (including proxies) present at the general meeting.

The resolutions proposed at the general meeting shall comply with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association. The authorized draftsmen of resolutions of the general meeting shall duly perform their duties and ensure that the resolutions are true, accurate and complete and are free from representation that may lead to ambiguity.

Article 29 Minutes

Meeting minutes shall be taken for general meetings. The meeting minutes shall record the following:

- (I) the date, venue and agenda of the meeting, and the name of the convener;

- (II) the names of the presider, and the Directors, Supervisors, general manager and other senior management members attending or present at the meeting;
- (III) the number of attending Shareholders and their proxies, the total number of voting Shares they hold and the proportion of these Shares to the total number of the Shares of the Company;
- (IV) the consideration process of each proposal, summaries of the speeches and the voting result;
- (V) details of the inquiries or suggestions of the Shareholders, and the corresponding response or explanations;
- (VI) the name of vote counters and scrutineer;
- (VII) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

A Shareholder shall be entitled to inspect copies of minutes of meeting(s) free of charge during office hours of the Company. Upon the request of any Shareholder for a copy of the relevant minutes of meeting, the Company shall send out the copy of the minutes within seven days of receipt of the reasonable payment therefor.

Article 30 Record-keeping of Materials

Directors, Supervisors and the secretary to the Board attending the meeting, the convener or representative thereof and the presider shall sign the meeting minutes and ensure the meeting minutes are true, accurate and complete. The meeting minutes and the signed attendance record of the Shareholders who attended in person and the proxy forms for the proxies present at the meeting shall be kept together for 10 years.

Article 31 Order of the Meeting Venue

The Board of the Company and any other conveners shall take necessary measures to guarantee the good order of the general meeting. Measures shall be taken in time to deter any act disturbing the general meeting, picking quarrels and provoking troubles and infringing the legal rights and interests of any Shareholder, and such act shall be reported in a timely manner to the relevant departments for investigation and punishment.

The Board of the Company and any other conveners shall ensure that a general meeting is held on a continuous basis until a final resolution is formed. If a general meeting is suspended or no resolution can be made due to force majeure or other special reasons, necessary measures shall be taken in a timely manner so as to promptly reconvene the general meeting or to directly terminate such general meeting.

Article 32—Special Procedures for Voting by Class Shareholders

(I)—Class Shareholders

~~Shareholders holding different classes of Shares shall be class Shareholders.~~

~~Class Shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of laws, administrative regulations, the Articles of Association and the Rules of Procedure.~~

~~Where the share capital of the Company include Shares which do not carry voting rights, the word “non-voting” shall appear in the designation of such Shares.~~

~~Where the share capital of the Company includes Shares with different voting rights, the words “restricted voting” or “limited voting” shall appear in the designation of each class of Shares other than the class of Shares with the most favorable voting rights.~~

(II)—Rights of Class Shareholders

~~Rights conferred on class Shareholders may not be varied or abrogated save with the approval of a special resolution in a general meeting and by Shareholders of the affected class at a separate meeting conducted in accordance with the provisions of the rules of procedure.~~

~~Where the rights of class Shareholders are altered or repealed due to changes in domestic and foreign laws, administrative regulations and the Hong Kong Listing Rules, as well as decisions made by domestic and foreign regulatory authorities according to law, the approval of general meeting or class meeting is not required.~~

~~The act of the holders of Domestic Shares of the Company to transfer the Shares they hold to the foreign investors and trade them on the overseas market shall not be regarded as the Company’s intention to change or abolish the rights of class Shareholders.~~

~~The following circumstances shall be deemed to be a variation or abrogation of the rights of a certain class of Shareholders:~~

- ~~1. to increase or decrease the number of Shares of such class, or increase or decrease the number of Shares of another class carrying rights to voting, distribution or other privileges equal or superior to those of Shares of such class;~~
- ~~2. to convert all or part of Shares of such class into Shares of other classes, or to convert or grant a right of conversion of all or part of Shares of other classes into Shares of such class;~~

- ~~3. to remove or reduce rights to accrued dividends or cumulative dividends attached to Shares of such class;~~
- ~~4. to reduce or remove the rights to a dividend preference or a liquidation preference in distribution of property attached to Shares of such class;~~
- ~~5. to add, remove or reduce the rights of conversion, options, voting and transfer, pre-emptive rights to placement and the right of acquisition of securities of the Company attached to Shares of such class;~~
- ~~6. to remove or reduce the rights to receive payables from the Company in particular currencies attached to Shares of such class;~~
- ~~7. to create a new class of Shares carrying rights of voting, distribution or other privileges equal or superior to those of the Shares of such class;~~
- ~~8. to restrict the transfer or ownership of the Shares of such class or increase such restrictions;~~
- ~~9. to grant subscription rights or share conversion rights for Shares of such class or other classes;~~
- ~~10. to increase the rights and privileges of Shares of other classes;~~
- ~~11. to restructure the Company in such a way as to cause different classes of Shareholders to bear a disproportionate burden of obligations of such restructuring; and~~
- ~~12. to amend or abrogate the terms provided in this Article.~~

~~The affected class Shareholders, whether or not having the right to vote at general meetings, shall have the right to vote at class meetings on matters referred to in items 2 to 8 and 11 to 12 of the preceding paragraph of the Rules, but interested Shareholders shall not be entitled to vote at class meetings.~~

~~For the purposes of the preceding paragraph, the term interested Shareholders shall have the following meanings:~~

- ~~1. if the Company has issued a repurchase offer to all Shareholders in the same proportion or has repurchased its own Shares by means of public trading on the Hong Kong Stock Exchange in accordance with the Articles of Association, the controlling Shareholders as defined in the Articles of Association shall be the "interested Shareholders";~~

2. ~~if the Company has repurchased its own Shares by means of agreement other than on the Hong Kong Stock Exchange in accordance with the Articles of Association, holders of Shares in relation to such agreement shall be the “interested Shareholders”;~~
3. ~~under a restructuring proposal of the Company, Shareholders who will bear liability in a proportion smaller than that of the liability borne by other Shareholders of the same class, or Shareholders who have an interest in a restructuring proposal of the Company that is different from the interest in such restructuring proposal of other Shareholders of the same class shall be the “interested Shareholders”.~~

~~(III) the Class Meeting~~

~~A resolution of a class meeting shall only be passed in accordance with the Articles of Association by Shareholders attending the class meeting who represent more than two-thirds of voting rights.~~

~~When convening a class meeting, a written notice shall be given 20 working days before the date of the meeting to notify all of the Shareholders whose names appear in the share register of such class Shares, specifying the matters to be considered at the meeting and the date and place of the meeting. Shareholder who intends to attend the meeting shall send a written reply of his/her attendance to the Company 10 working days or 15 days (whichever is longer) before the date of the meeting. The day on which the meeting is convened shall be excluded from the calculation of the starting period of such notice.~~

~~If the voting Shares held by the attending Shareholders account for more than half of total voting Shares, the Company may hold a class meeting; if not, the Company shall, within five (5) days, inform the Shareholders by issuing an announcement of the matters to be considered and the date and venue of the meeting for another time. The Company may hold a class meeting upon such notice.~~

~~If the Hong Kong Listing Rules have special provisions, such provisions shall prevail.~~

~~If a class meeting is held by sending a notice of meeting, the notice of the class meeting shall be served only to the Shareholders entitled to vote at the meeting.~~

~~The procedures according to which a class meeting is held shall, to the extent possible, be identical to the procedures according to which a general meeting is held. Provisions of the Rules of Procedure relevant to procedures for the holding of general meetings shall be applicable to class meetings.~~

~~(IV) Shareholders of Domestic Shares and Overseas Listed Foreign Shares~~

~~In addition to Shareholders of other classes of Shares, Shareholders of Domestic Shares and overseas listed foreign shares shall be deemed Shareholders of different classes. The special procedure for voting by class Shareholders is not applicable in the following circumstances:~~

- ~~1. after approval by a special resolution at a general meeting, the Company issues Domestic Shares and overseas listed foreign shares separately or simultaneously at an interval of 12 months, and the proposed number of Domestic Shares and overseas listed foreign shares to be issued will not exceed 20% of the outstanding issued Shares of such class;~~
- ~~2. the plans to issue Domestic Shares and overseas listed foreign shares upon establishment of the Company are completed within 15 months from the date of approval by the securities regulatory authority of the State Council;~~
- ~~3. upon approval by the securities regulators of the State Council, the Domestic Shareholders of the Company shall transfer all or part of the Shares held by them to overseas investors and be approved by overseas exchanges to have such Shares listed and traded overseas, converting all or part of the unlisted shares (including Domestic Shares and foreign shares) issued by the Company into overseas listed shares.~~

~~Article 33~~Article 32 Laws and Articles of Association Prevail

If any provision of the Rules is in conflict with laws, administrative regulations, other standardized documents, the Hong Kong Listing Rules and the Articles of Association then in force, the laws, administrative regulations, other standardized documents, the Hong Kong Listing Rules and the Articles of Association then in force shall prevail.

~~Article 34~~Article 33 Interpretation Right

It shall be the responsibility of the Board of Directors to interpret the Rules.

~~Article 35~~Article 34 Effect, Amendment and Abolishment

The Rules, as an annex to the Articles of Association, came into force ~~from the date of the Company's initial public offering of overseas listed foreign shares (H Shares) and its listing on the Main Board of the Hong Kong Stock Exchange~~ upon the consideration and approval by the general meeting. The original Rules of Procedure for the Shareholders' General Meeting of the Company will automatically become invalid since the date on which the Rules of Procedures become effective.

**APPENDIX III PROPOSED AMENDMENTS TO THE RULES OF PROCEDURE
FOR THE BOARD OF SUPERVISORS**

ZHEJIANG LEAPMOTOR TECHNOLOGY CO., LTD.

RULES OF PROCEDURE FOR THE BOARD OF SUPERVISORS

Article 1 The rules of procedure are formulated in accordance with the Company Law of the People’s Republic of China (the “**Company Law**”), the Securities Law of the People’s Republic of China and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and other relevant laws, administrative rules, departmental regulations and standardized documents, as well as the Articles of Association of Zhejiang Leapmotor Technology Co., Ltd. (the “**Articles of Association**”), for the purpose of improving the governance structure of legal person, facilitating the standardized operation of the Company, safeguarding the legitimate rights and interests of the Company, its Shareholders and creditors, regulating the organization and activities of the Board of Supervisors of the Company, and ensuring that the Board of Supervisors of the Company is able to exercise its functions and powers independently in accordance with the law.

Article 2 The term of office of a Supervisor is three years, and the Supervisors may be re – elected and re-appointed. The term of office commences from the date of election until the end of the term. Supervisors are elected and replaced at the general meeting and the employee representative assembly of the Company, and may be dismissed from their positions by the general meeting or employee representative assembly before the expiration of their term of office.

Article 3 Composition of the Board of Supervisors

- (I) The Company shall have a Board of Supervisors. The Board of Supervisors shall consist of three Supervisors, including one employee representative Supervisor.
- (II) The Board of Supervisors shall have one chairman, who shall be elected by ~~two-thirds or more (inclusive)~~ **more than half** of all Supervisors.

Article 4 Functions and Powers of Chairman of the Board of Supervisors

- (I) The chairman of the Board of Supervisors shall have deeper understanding on policies and possess organizational and coordination capability with strong principal, honesty and self-discipline, and be familiar with the operation and management of the Company.
- (II) The chairman of the Board of Supervisors shall perform the following functions and powers:
 - 1. to preside over the meetings of the Board of Supervisors;
 - 2. to supervise and inspect the implementation of the resolutions approved at meetings of the Board of Supervisors;

3. to organize and formulate the work plan of the Board of Supervisors, and be responsible for daily work of the Board of Supervisors;
4. to sign the report of the Board of Supervisors and other documents, and deliver the same to other Supervisors;
5. to exercise functions and powers on behalf of the Board of Supervisors;
6. to report work at general meetings of the Company on behalf of the Board of Supervisors and submit proposals;
7. to be responsible for internal and external contact and coordination work of the Company on behalf of the Board of Supervisors;
8. other functions and powers granted by general meetings and the Board of Supervisors.

(III) In the event that the chairman of the Board of Supervisors is unable to perform such duties for any reason, a Supervisor elected by more than half of all Supervisors shall perform such duties on his/her behalf.

Article 5 Functions and Powers of the Board of Supervisors

The Board of Supervisors shall perform the following functions and powers:

- (I) to review and express its view in writing on corporate securities issuance documents and periodic reports prepared by the Board, with signatures of the Supervisors to be affixed on such written confirmations;
- (II) to examine the Company's finance;
- (III) to supervise the Directors and senior management personnel in the performance of their duties, and to propose the removal of the Directors and senior management personnel that violate laws, administrative regulations, the Articles of Association or resolutions of the general meeting;
- (IV) to require rectification by Directors and senior management personnel if their acts are detrimental to the Company's interests;
- (V) to have the right to be informed of matters within the terms of reference of the Board of Supervisors as stipulated by laws, administrative regulations and the Articles of Association;
- (VI) to propose the convening of an extraordinary general meeting, and to convene and preside over a general meeting in the event of the Board failing to perform such duties as stipulated in the Company Law;

- (VII) to submit proposals to the general meeting;
- (VIII) to be present at the Board meetings;
- (IX) to initiate legal proceedings against Directors and senior management personnel in accordance with Article 151 of the Company Law;
- (X) to propose to convene an interim Board meeting;
- (XI) to review the financial information such as financial reports and profit distribution plans to be submitted by the Board to the general meeting and, to investigate and, if necessary, to engage professional organizations, such as accounting firms and law firms, to assist its work if queries arise or it discovers any irregularities in the Company's operations. The expenses thereof shall be borne by the Company;
- (XII) such other functions and powers as granted by the Articles of Association or the general meeting.

Article 6 Convening of and Presiding over the Meetings of the Board of Supervisors

The chairman of the Board of Supervisors shall convene and preside over the meetings of the Board of Supervisors. If the chairman of the Board of Supervisors cannot or does not perform his/her duties, a Supervisor jointly elected by more than half of the Supervisors shall convene and preside over the meeting.

Article 7 Convening of Meetings

The Board of Supervisors shall hold a regular meeting at least once every 6 months or at least twice a year. A Supervisor may propose to convene an extraordinary meeting of the Board of Supervisors.

Article 8 Notice of Meetings

All Supervisors shall be notified 10 days before the regular meeting, and all Supervisors shall be notified 3 days before the extraordinary meeting.

The written notice of meetings of the Board of Supervisors shall contain the following:

- (I) the date, place and duration of the meeting;
- (II) the matters to be considered and the agenda of the meeting;
- (III) the date of the notice;
- (IV) convener and chairman of the meeting, the proponent of the extraordinary meeting and his/her written proposal;

(V) meeting materials necessary for the voting of Supervisors;

(VI) the contact person and contact details.

A verbal notice of meetings shall at least include details of (I) and (II) above, and explanation for an extraordinary meeting of the Board of Supervisors in case of contingency.

Article 9 Attendance of Meetings

The meetings of the Board of Supervisors may be held only if more than half of the Supervisors are present. If the number of Supervisors attending the meeting is less than half of the total number of Supervisors, the meeting of the Board of Supervisors shall be postponed until more than half of the Supervisors presented.

Supervisors shall attend the meetings of the Board of Supervisors in person. Where a Supervisor is unable to attend a meeting for any reason, he/she may, by a written power of attorney, appoint another Supervisor to attend the meeting on his/her behalf. The power of attorney shall set out the name of the attorney, issues under authorization, scope of authorization and valid period, which will be signed or sealed with the chop by the appointing Supervisor. A Supervisor who attends the meeting on behalf of appointed Supervisor shall exercise the rights of a Supervisor within the scope of authority.

Supervisors who fail to attend two consecutive meetings of the Board of Supervisors either in person or entrust other Supervisors to do so shall be deemed incapable of performing their duty, and the general meetings or the employee representative assembly (or other institutions responsible for the election of employee representative Supervisors) shall replace such Supervisors.

Article 10 Manner of Convening

The meetings of the Board of Supervisors, especially the regular meetings of the Board of Supervisors, shall, in principle, be convened by means of on-site meeting. In special cases, the meetings of the Board of Supervisors may be convened by means of video, telephone, E-mail and written communication.

Where the meetings of the Board of Supervisors are convened by means of teleconference, video conference or other real-time communication, voice voting shall be adopted since Supervisors cannot sign the resolutions at such meeting in real time, and the written signature thereof shall be affixed as soon as possible after the conclusion of the meeting. The voice voting shall have the same effect as the written signatures, provided that the written signatures afterwards shall be consistent with the voice voting at the meeting. If there is any discrepancy between such written signatures and voice voting, the voice voting shall prevail.

If the Board of Supervisors convenes the meetings of the Board of Supervisors by way of written resolutions, the draft resolutions must be served on each Supervisor by means of one of the following ways of personal delivery, post, facsimile or electronic mail. Once such written resolution is served on all of the Supervisors and the number of Supervisors who agree by signing on one or more copies of the draft in the same format and contents reaches the quorum for such decision, and such signed resolution is delivered to the chairman of the Board of Supervisors, the resolution shall become a resolution of the Board of Supervisors.

Article 11 Resolutions

A resolution of the Board of Supervisors shall be passed by more than ~~two-thirds (inclusive)~~ **half** of all Supervisors. The resolution of the Board of Supervisors shall be signed and confirmed by the attending Supervisors.

Resolutions of the Board of Supervisors shall be voted by way of open ballot. Each Supervisor has one vote.

Article 12 Method of Voting

The voting of the Board of Supervisors adopted open ballot. Each Supervisor has one vote.

Article 13 Minutes

(I) The Board of Supervisors shall prepare minutes and such minutes shall be signed by the participating supervisors and the person who has prepared the minutes. Supervisors are entitled the right to make certain written explanations for their speeches delivered at the meeting in the minutes.

(II) The minutes shall contain the following:

1. the session, time, place and form of the meeting;
2. sending of the notice of the meeting;
3. convener and presider of the meeting;
4. attendance of the meeting;
5. the proposals considered at the meeting, chief comments and key opinions of each Supervisor on relevant issues, and intention for voting on the proposals;
6. the voting method and the voting results of each proposal (the number of votes in favor, against or abstain shall all be clearly indicated);
7. other matters that the Board of Supervisors deemed necessary for record.

For the meeting of the Board of Supervisors convened by means of communication, the minute taker shall arrange the minutes with reference to the above provisions.

(III) The minutes of the Board of Supervisors shall be kept as company archives for a period of not less than ten years.

Article 14 Laws and the Articles of Association Prevail

In the event that any article of the Rules is inconsistent with laws, administrative regulations, other standardized documents, the Hong Kong Listing Rules and the Articles of Association in force at the time, the laws, administrative regulations, other standardized documents, the Hong Kong Listing Rules and the Articles of Association shall prevail.

Article 15 Interpretation Right

It shall be the responsibility of the Board of Supervisors to interpret the Rules.

Article 16 Effect, Amendment and Abolishment

The Rules, as an appendix to the Articles of Association, became effective ~~from the date of the Company's initial public offering of overseas listed foreign shares (H share) and listing on the Main Board of the Stock Exchange of Hong Kong~~ upon approval by the general meeting. The original Rules of Procedure for the Board of Supervisors of the Company will automatically become invalid since the date on which the Rules of Procedures become effective.