

BIOCYTOGEN PHARMACEUTICALS (BEIJING) CO., LTD.
百奧賽圖(北京)醫藥科技股份有限公司

ARTICLES OF ASSOCIATION

December 2023

(These Articles, which will be adopted upon the issuance of H Shares, has been approved by the fifth meeting of the first session of the board of directors of the Company and the third extraordinary shareholders' general meeting of the Company in 2021, and the amendments thereto have been approved by the sixth and seventh meetings of the first session of the board of directors of the Company, the second extraordinary shareholders' general meeting of the Company in 2023, the second general meeting of the holders of domestically unlisted shares in 2023 and the second general meeting of H shareholders in 2023)

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BIOCYTOGEN PHARMACEUTICALS (BEIJING) CO., LTD. ARTICLES OF ASSOCIATION

CHAPTER 1 GENERAL PROVISIONS

Article 1 To regulate the organization and operation of Biocytogen Pharmaceuticals (Beijing) Co., Ltd. (the “**Company**”) and safeguard the lawful rights and interests of the Company, its shareholders and creditors, these Articles of Association 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*, the *Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises*, the *Guidelines on the Application of Regulatory Rules – No. 1 for Overseas Offering and Listing*, the *Guidelines for the Articles of Association of Listed Companies*, the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* (the “**Hong Kong Listing Rules**”) and provisions of other relevant national laws, administrative regulations and rules of the State Council (the “**laws and regulations**”).

Article 2 The Company is a company limited by shares established in accordance with the *Company Law* and other national laws and regulations and regulatory documents.

The Company was established by way of promotion, and was issued a business license upon registration with the Supervision and Administration Bureau of Daxing District, Beijing on December 29, 2020. The general social credit code of the Company is 911103026977362790.

Article 3 The registered name of the Company

Chinese: 百奥赛图(北京)医药科技股份有限公司

English: Biocytogen Pharmaceuticals (Beijing) Co., Ltd.

Article 4 The address of the Company is 12 Baoshen South Street, Daxing Bio-Medicine Industry Park, Zhongguancun Technology Park, Daxing District, Beijing, PRC. Postal code is 102609.

Article 5 Immediately before the issuance of H shares, the registered capital of the Company amounts to RMB374,929,920. On December 22, 2021, the Company, with the approval from the China Securities Regulatory Commission (the “**CSRC**”), conducted its initial public offering (the “**IPO**”) of 24,468,500 overseas listed foreign shares (including 2,710,000 shares issued through the exercise of over-allotment option). On July 11, 2022, the Company was granted approval by the CSRC to convert 86,313,420 domestically unlisted shares into overseas listed shares. Subsequently, the Company was officially listed on the Hong Kong Stock Exchange on September 1, 2022. Upon the completion of the public issuance of overseas listed foreign shares, the registered capital of the Company shall be RMB399,398,420.

Article 6 The legal representative of the Company shall be the chairman of the board of directors of the Company.

Article 7 The Company is a joint stock limited company existing in perpetuity.

Article 8 The capital of the Company shall be divided into equal shares. Shareholders shall be liable to the Company to the extent of the shares subscribed. The Company shall be liable for its debts with all of its assets.

Article 9 From the date of these articles of association becoming effective, these articles of association constitute a legally binding document regulating the organization and activities of the Company, and the rights and obligations between the Company and its shareholder and among its shareholders, and shall be legally binding upon the Company, its shareholders, directors, supervisors and senior management.

In accordance with these articles of association, shareholders may sue shareholders, the directors, supervisors, the general manager and senior management of the Company and the Company and the Company may sue its shareholders, directors, supervisors, the general manager and other senior management.

Article 10 For the purposes of these articles of association, the term “senior management” means the general manager, deputy general manager, secretary to the board of directors, chief financial officer and other officers designated by the board of directors as senior management members.

Article 11 The Company shall establish Communist Party organizations and conduct Party activities pursuant to the regulations of the *Constitution of the Communist Party of China*. The Company shall provide necessary conditions for the activities of the Party organizations.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 12 The objectives of the Company are: continuously improving production, operation and decision-making of the Company to maximize the values for the society, and enhancing the capabilities of the Company to compete in the market as a world-class corporation with strong risk resistance through system and technology innovation.

Article 13 Subject to the final approval of the market regulatory authority, the scope of business of the Company shall include: the development, consultation, services and training of biotechnology; molecular testing; wholesale of cellular and chemical reagents and animal models, commission agency (excluding auction) and import and export (products involving quota license or special restriction shall be subject to relevant regulations of China); and business information consultation. (A market entity shall determine its scope of business and operate at its discretion in accordance with the laws. For business subject to approval in accordance with the laws, the operation shall be conducted according to the approval of the relevant authorities. Operation prohibited or restricted by national and local industrial policies shall not be conducted.)

CHAPTER 3 SHARES

SECTION 1 ISSUANCE OF SHARES

Article 14 The shares of the Company shall be presented by share certificates.

Article 15 The shares of the Company shall be issued in a transparent, fair and equal manner, and shall rank *pari passu* in all respects with the shares of the same class.

The terms and price of each of the share of the same class in the same issue shall be the same, and every share subscribed by any entity or individual in the same issue shall have the same price.

Article 16 All shares issued by the Company are denominated in Chinese Yuan.

Article 17 All promoters of the Company have subscribed for the shares of the Company based on the audited net asset value corresponding to their rights and interests in the former Beijing Biocytogen Gene Biotechnology Co., Ltd., and have paid up the registered capital upon the establishment of the Company.

The names of the promoters of the Company, the number of shares subscribed, the shareholding ratio, the method of capital contribution, and the time of capital contribution are as follows:

No.	Promoters	Number of shares subscribed upon the establishment of the Company (per ten thousand shares)	Percentage to total share capital of the Company upon its establishment	Methods of capital contribution	Time of capital contribution
1	Ni Jian	2,900.484	8.0569%	Shares converted from assets at net value	2020.12.15
2	Shen Yuelel	2,639.484	7.3319%	Shares converted from assets at net value	2020.12.15
3	BioVeda China Fund II RMB, Limited	2,029.140	5.6365%	Shares converted from assets at net value	2020.12.15
4	State Development & Investment Corporation (SDIC) VC Fund (Shanghai) of Technology Transfer and Commercialization (Limited Partnership)	4,213.332	11.7037%	Shares converted from assets at net value	2020.12.15
5	State Development & Investment Corporation (SDIC) Gaoxin (Shenzhen) VC Fund (Limited Partnership)	1,899.612	5.2767%	Shares converted from assets at net value	2020.12.15
6	State Development & Investment Corporation (SDIC) VC Fund (Ningbo) of Technology Transfer and Commercialization (Limited Partnership)	1,180.800	3.2800%	Shares converted from assets at net value	2020.12.15
7	Zhu Mingchen	747.540	2.0765%	Shares converted from assets at net value	2020.12.15
8	Beijing Baiao Evergreen Technology Development Center (Limited Partnership)	1,868.868	5.1913%	Shares converted from assets at net value	2020.12.15

No.	Promoters	Number of shares subscribed upon the establishment of the Company (per ten thousand shares)	Percentage to total share capital of the Company upon its establishment	Methods of capital contribution	Time of capital contribution
9	Zhaoyin Chengzhang Qihao Investment (Shenzhen) Partnership (Limited Partnership)	2,260.296	6.2786%	Shares converted from assets at net value	2020.12.15
10	Shenzhen Zhaoyin Gongying Equity Investment Partnership (Limited Partnership)	135.576	0.3766%	Shares converted from assets at net value	2020.12.15
11	Beijing Yuanqing Bencao Equity Investment Center (Limited Partnership)	919.368	2.5538%	Shares converted from assets at net value	2020.12.15
12	Astral Eminent Limited	2,608.848	7.2468%	Shares converted from assets at net value	2020.12.15
13	SIP ORIZA SEED FUND II VENTURE CAPITAL INVESTMENT PARTNERSHIP (LIMITED PARTNERSHIP)	293.688	0.8158%	Shares converted from assets at net value	2020.12.15
14	COWIN CHINA GROWTH FUND I, L.P.	692.064	1.9224%	Shares converted from assets at net value	2020.12.15
15	China Life Chengda (Shanghai) Healthcare Equity Investment Center (Limited Partnership)	1,429.632	3.9712%	Shares converted from assets at net value	2020.12.15
16	Shenzhen Zhaoyin Langyao Growth Equity Investment Fund Partnership (L.P.)	643.356	1.7871%	Shares converted from assets at net value	2020.12.15
17	Beijing Baiao Changsheng Technology Development Center (Limited Partnership)	1,864.764	5.1799%	Shares converted from assets at net value	2020.12.15
18	Shanghai Biofortune Medical Investment Partnership (Limited Partnership)	1,214.496	3.3736%	Shares converted from assets at net value	2020.12.15
19	Beijing Eucure Evergreen Technology Development Center (Limited Partnership)	475.884	1.3219%	Shares converted from assets at net value	2020.12.15

No.	Promoters	Number of shares subscribed upon the establishment of the Company (per ten thousand shares)	Percentage to total share capital of the Company upon its establishment	Methods of capital contribution	Time of capital contribution
20	Shenzhen Zhaoyin Chengzhang Shijiuhao Equity Investment Fund Partnership (Limited Partnership)	1,906.092	5.2947%	Shares converted from assets at net value	2020.12.15
21	CMB International Capital Management (Shenzhen) Co., Ltd.	307.440	0.8540%	Shares converted from assets at net value	2020.12.15
22	Zhuhai Growth Win-Win Venture Capital Fund (Limited Partnership)	245.952	0.6832%	Shares converted from assets at net value	2020.12.15
23	Jiangsu China Life Jiequan Equity Investment Center (Limited Partnership)	922.284	2.5619%	Shares converted from assets at net value	2020.12.15
24	PICC Beijing Health Care Fund, L.P.	922.284	2.5619%	Shares converted from assets at net value	2020.12.15
25	Xinyu Cowin Guosheng Technology Innovation Industry Investment Partnership (Limited Partnership)	184.464	0.5124%	Shares converted from assets at net value	2020.12.15
26	Yiwu Shenyuan Investment Management Partnership (Limited Partnership)	122.976	0.3416%	Shares converted from assets at net value	2020.12.15
27	Beijing Eucure Changsheng Technology Development Center (Limited Partnership)	1,260.000	3.5000%	Shares converted from assets at net value	2020.12.15
28	Nanjing Wedo Alpha Venture Capital Partnership (Limited Partnership)	111.276	0.3091%	Shares converted from assets at net value	2020.12.15
Total		36,000	100%	—	—

Article 18 The Company has a total of 399,398,420 shares, all of which are ordinary shares.

Article 19 The Company and its subsidiaries (including affiliates) may not provide any form of support, including gift, advance payment, loan guarantee, compensation or loan, to individuals who are purchasing or intending to purchase the Company shares.

SECTION 2 INCREASE, DECREASE AND REPURCHASE OF SHARES

Article 20 In accordance with the laws and regulations, the Company may, based on its operating and development needs and the resolution of a shareholders' general meeting, increase its capital by:

- (I) the public offering of shares;
- (II) the private offering of shares;
- (III) the issue of bonus shares to existing shareholders;
- (IV) the capitalization of capital reserve;
- (V) other methods permitted by laws and regulations as well as competent authorities.

The Company is prohibited from issuing preferred shares that are convertible into ordinary shares.

Article 21 The Company may reduce its registered capital in accordance with the Company Law and other relevant regulations and these articles of association.

Article 22 The Company may not repurchase its shares except in the following circumstances:

- (I) to reduce the registered capital of the Company;
- (II) to merge with other companies which hold the shares of the Company;
- (III) to use the shares for an employee stock ownership plan or as an equity incentive;
- (IV) where shareholders require the Company to purchase their shares due to their disagreement on the merger or a division resolution passed by a shareholders' general meeting;
- (V) to use the shares in the conversion of the convertible corporate bonds issued by the Company;
- (VI) where it is necessary for preserving the value of the Company and the interest of shareholders;
- (VII) other circumstances permitted by the laws and regulations and the regulatory rules of the place where the shares of the Company are listed.

Article 23 The Company may repurchase its shares through a centralized trading process that is open to the public or other legally acceptable methods recognized by the securities regulator in the place where the shares of the Company are listed.

If the Company intends to repurchase its shares as stipulated in the paragraphs (III), (V) and (VI), Article 22 of these Articles of Association, it shall do so through an open centralized trading process. Otherwise, the Company may not purchase its own shares.

Article 24 The Company purchasing its own shares under any of the circumstances set forth in sub-paragraph (I) and (II) of the first paragraph of Article 22 shall be subject to a resolution of a shareholders' general meeting; and the Company, in purchasing its own shares under any of the circumstances set forth in sub-paragraph (III), (V) and (VI) of the first paragraph of Article 22, shall, pursuant to these articles of association or the authorization of a shareholders' general meeting, be subject to a resolution of a meeting of the board of directors at which more than two-thirds of directors are present.

The shares purchased by the Company in accordance with the first paragraph of Article 22 shall, under the circumstance set forth in sub-paragraph (I), be canceled within ten days after the purchase; while under the circumstances set forth in sub-paragraph (II) or (IV), be disposed of or canceled within six months; and while under the circumstances set forth in sub-paragraph (III), (V) or (VI), aggregately not exceed 10% of the Company's total shares in issue shall be disposed of or canceled within three years.

SECTION 3 TRANSFER OF SHARES

Article 25 The Company's shares are transferable in accordance with the law.

The transfer of H Shares shall be registered with the Hong Kong share registrar designated by the Company.

Article 26 The Company shall not accept its own shares for mortgage.

Article 27 Shares held by promoters shall not be transferred within one year from the establishment of the Company. Shares already issued before the Company's IPO may not be transferred within one year from the date when the Company's shares are listed on a stock exchange.

Directors, supervisors and the senior management of the Company shall declare to the Company their shareholdings in the Company and any changes in such shareholdings. During their terms of office, they may transfer no more than 25% of the total number of shares they hold in the Company each year. They shall not transfer the shares they hold within one year from the date of the listing of the Company on a stock exchange, nor within half a year after they have left their positions in the Company.

Where the regulations of the securities regulatory authority in the place where the shares of the Company are listed have any other provisions in respect of the restrictions on transfers of overseas listed shares, such provisions shall prevail.

Article 28 Directors, supervisors, senior management and shareholders holding more than 5% of the Company's shares shall surrender to the Company's board of directors any proceeds from sale of Company shares or other equity-related securities within six months of purchase or from repurchase of Company shares within six months of sale. However, this provision does not apply to securities firms that hold more than 5% of Company shares following acquisition of remaining shares after sales under an underwriting contract or other situations prescribed by the CSRC. Where the listing rules of the stock exchange where the Company's shares are listed have any other provisions in respect of the restrictions on the transfer of H shares, such provisions shall prevail.

The shares or other equity-related securities held by directors, supervisors, senior management and individual shareholders as referred to in the preceding paragraph shall include the shares or other equity-related securities held by their spouses, parents and children as well as those held under other individuals' accounts.

In the event that the board of directors fails to comply with the provisions of the first paragraph of this Article, shareholders may request the board of directors to rectify within 30 days.

Should the board of directors fails to rectify its noncompliance within the specified period, shareholders shall be entitled to institute legal proceedings to the people's court in their own names for the interests of the Company.

Directors who fail to comply with the provisions of the first paragraph of this Article shall bear joint and several liability in accordance with the law.

CHAPTER 4 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

SECTION 1 SHAREHOLDERS

Article 29 The Company shall maintain a register of shareholders and conduct shareholder registration against the evidence provided by the securities registration authority and in compliance with applicable laws, regulations, normative documents, and the Hong Kong Listing Rules. The register of shareholders serves as conclusive evidence of a shareholder's ownership of the Company shares.

For shareholders holding foreign shares listed overseas and traded in Hong Kong, the original copy of the register of shareholders shall be kept in Hong Kong for shareholders' inspection.

The shareholders shall enjoy the rights and assume the obligations according to the class and number of the shares they hold. The shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Article 30 If the Company intends to convene a shareholders' general meeting to distribute dividends, to liquidate or to conduct other actions that necessitate the verification of shareholders, the board of directors or the convener of the shareholders' general meeting shall determine a record date. Holders of shares whose names appear in the register of shareholders at the end of the record date shall be shareholders of the Company entitled to relevant right and interests.

Article 31 The Company's shareholders shall enjoy the following rights:

- (I) to receive dividends and other forms of distribution of interest in proportion to their respective shareholdings;
- (II) to request, convene, preside over and attend shareholders' general meetings in person or by proxy, and to speak and exercise their respective voting rights at shareholders' general meetings;
- (III) to supervise the operations of the Company and to make recommendations and interrogations;
- (IV) to transfer, donate or pledge the shares they hold according to the laws, regulations and these articles of association;
- (V) to inspect these Articles of Association, register of shareholders, bond certificates, minutes of shareholders' general meetings, resolutions of the board of directors and supervisory board meetings, and financial accounting reports of the Company;
- (VI) to request the Company to acquire his/her shares if he/she objects to a resolution of a shareholders' general meeting on a merger or division of the Company;
- (VII) to participate in the distribution of the remaining assets of the Company in proportion to their shareholdings upon termination or liquidation of the Company;
- (VIII) to access the Hong Kong register of shareholders for the Company, provided, however, that the Company may temporarily suspend shareholder registration procedures in accordance with the equivalent provisions of Section 632 of the Companies Ordinance (Cap. 622);
- (IX) any other rights prescribed by the laws, regulations, rules of the securities regulatory authorities and the stock exchange where the securities of the Company are listed and as stipulated under these articles of association.

Article 32 If a shareholder requests to inspect or obtain the information as mentioned in the preceding article, he/she shall provide a written proof to indicate the class and number of the shares held. The Company shall provide information requested by the shareholder upon verification of his/her identity.

Article 33 If any resolution of a shareholders' general meeting or board meeting is in violation of the laws or administrative regulations, the shareholders shall be entitled to request the people's court to invalidate such resolution.

If the convening procedure or voting method of a shareholders' general meeting or board meeting is in violation of the laws, administrative regulations or these Articles of Association, or if a resolution is in violation of these Articles of Association, the shareholders shall be entitled to request the people's court for revocation within 60 days after the resolution is made.

Article 34 If any director or senior management violates laws, administrative regulations or these Articles of Association when performing his/her duties, thereby incurring any loss of the Company, the shareholder(s) severally or jointly holding 1% or above shares of the Company for 180 consecutive days or above shall be entitled to request the supervisory committee in writing to institute legal proceedings to the people's court. If the supervisory committee violates laws, administrative regulations or these Articles of Association when performing its duties, thereby incurring any loss of the Company, the aforementioned shareholders shall be entitled to request the board of directors in writing to institute legal proceedings to the people's court.

If the supervisory committee or the board of directors refuses to institute legal proceedings after receiving the written request or does not institute legal proceedings within 30 days after receiving such request, or if the circumstance is urgent and any delay of legal proceedings may incur irrecoverable damage to the interests of the Company, the shareholders, as specified in the preceding article, shall be entitled to institute legal proceedings to the people's court in their own names for the interests of the Company.

If any other person infringes upon the lawful rights and interests of the Company, thereby resulting in the Company incurring any loss, the shareholder(s) as mentioned in the first paragraph of this Article may institute legal proceedings to the people's court according to the provisions of the two preceding paragraphs.

Article 35 If any director or senior management violates laws, regulations or these articles of association, thereby resulting in the shareholders incurring any loss, the shareholders may institute legal proceedings in the people's court.

Article 36 The Company's shareholders shall have the following obligations:

- (I) to comply with the laws, administrative regulations and these Articles of Association;
- (II) to pay capital contribution as per the shares subscribed for and the method of subscription;
- (III) not to withdraw capital contribution, unless in the circumstances stipulated by the laws and regulations;
- (IV) not to damage any of the interests of the Company or other shareholders by abusing the shareholder's rights, nor damage the interests of any creditor of the Company by abusing the independent status of the Company as a legal person and limited liability of shareholders;
- (V) any other obligations prescribed by the laws, regulations and these articles of association.

If a shareholder abuses his/her shareholder rights, thereby causing the Company or shareholders to sustain a loss, he/she shall be held liable for damages in accordance with the laws. If a shareholder abuses the independent status of the Company as a legal person and limited liability of shareholders to evade a debt, thereby materially harming the interests of a creditor of the Company, he/she shall bear joint and several liability for the debt of the Company.

Article 37 Shareholders holding more than 5% of the Company's voting shares, who pledge the shares they held in the Company, shall notify the Company in writing on the date of such pledge.

Article 38 The controlling shareholder and the de facto controller of the Company shall not take advantage of their connected relationships to harm the interests of the Company. They shall be held liable for damages if, as a result of violating such provisions, they cause the Company to sustain a loss.

The controlling shareholder and the de facto controller of the Company bear a fiduciary duty toward the Company and other shareholders of the Company. The controlling shareholder shall exercise its rights as an investor in strict accordance with the laws. It shall not harm the lawful rights and interests of the Company and other shareholders by means of profit distribution, asset restructuring, investment in a third party, appropriation of funds, loan security or other methods, or damage the interests of the Company and other shareholders by means of its controlling position.

SECTION 2 GENERAL PROVISIONS OF SHAREHOLDERS' GENERAL MEETINGS

Article 39 The shareholders' general meeting shall be the organ of authority of the Company and shall exercise the following functions and powers:

- (I) to decide on the business policies and investment plans of the Company;
- (II) to elect or replace directors and supervisors who are not representatives of the employees and to decide on matters relating to the remuneration of directors and supervisors;
- (III) to consider and approve reports of the board of directors;
- (IV) to consider and approve reports of the supervisory committee;
- (V) to consider and approve the annual financial budgets and final accounts of the Company;
- (VI) to consider and approve the profit distribution plans and plans for making up losses of the Company;
- (VII) to pass resolutions concerning the increase or reduction of the registered capital of the Company;
- (VIII) to pass resolutions on the issuance of bonds by the Company;
- (IX) to pass resolutions on matters such as the merger, division, dissolution, liquidation or change in corporate form of the Company;
- (X) to amend these articles of association;
- (XI) to resolve on the engagement and dismissal of the accounting firm;

- (XII) to consider and approve external guarantees required to be resolved at the shareholders' general meeting pursuant to laws, regulations and these articles of association;
- (XIII) to consider and approve matters relating to the purchase and sale by the Company within one year of material assets valued at more than 30% of the audited total assets of the Company as at the latest period;
- (XIV) to deliberate equity incentive plans and employee stock ownership plans;
- (XV) to consider and approve connected transactions required to be resolved at the shareholders' general meeting pursuant to laws, regulations, listing rules of the stock exchange of the place where the shares of the Company are listed and these articles of association;
- (XVI) other matters required to be resolved at the shareholders' general meeting pursuant to laws, regulations, listing rules of the stock exchange of the place where the shares of the Company are listed and these articles of association.

Article 40 The provision of guarantee by the Company for third parties as set forth below, shall be subject to the consideration and approval of the shareholders' general meeting:

- (I) any guarantee to be provided after the total amount of guarantee provided to third parties by the Company and its controlling subsidiaries exceeds 50% of the latest audited net assets;
- (II) any guarantee to be provided after the total amount of guarantee provided to third parties by the Company exceeds 30% of the latest audited total assets;
- (III) the provision of security by the Company within one year with the amount(s) exceeding 30% of the latest audited total assets of the Company;
- (IV) any guarantee to be provided to a recipient with a gearing ratio of more than 70%;
- (V) any single guarantee exceeding 10% of the latest audited net assets;
- (VI) any guarantee to be provided for shareholders, de facto controllers and their connected parties;
- (VII) other guarantees required by laws, regulations, regulatory rules of the place where the shares of the Company are listed or these articles of association.

The above-mentioned guarantee to third parties that should be approved by a shareholders' general meeting must be reviewed and approved by the board of directors before being submitted to the shareholders' general meeting for approval.

The board of directors shall review and approve guarantee to third parties not being required to be approved by a shareholders' general meeting.

When considering the resolution of providing guarantee for shareholders, de facto controllers and their connected parties at the shareholders' general meeting, such shareholders or shareholders who are controlled by the de facto controllers shall abstain from voting on such resolution. The resolution shall be approved by more than half of the voting rights held by other shareholders present at the shareholders' general meeting.

Article 41 Except in cases where the Company is in a crisis or under special circumstances, without the approval by way of special resolution at a shareholders' general meeting, the Company may not conclude any contract with any person other than a director, the general manager and other senior management of the Company whereby such person is designated to be in charge of the management of the whole or a substantial part of the business of the Company.

Article 42 Shareholders' general meetings include annual general meetings and extraordinary general meetings. An annual general meeting shall be convened once a year and shall be held within six months after the end of the preceding fiscal year.

Article 43 The Company shall convene an extraordinary general meeting within two months from the date of the occurrence of any of the following circumstances:

- (I) the number of directors is less than five, being the minimum statutory number provided for in the Company Law, or less than two-thirds of the number prescribed in these articles of association;
- (II) the losses of the Company that have not been made up reach one-third of its total paid-in share capital;
- (III) a request is made by a shareholder or shareholders holding separately or in aggregate more than 10% of the shares of the Company;
- (IV) the board of directors considers it necessary;
- (V) the supervisory committee proposes to hold such meeting;
- (VI) any other circumstance as specified in laws, regulations or these Articles of Association.

The number of shares held by a shareholder in sub-paragraph (III) above shall be based on the number of shares of the Company held on the date of written request by the shareholder.

Article 44 The Company shall convene a shareholders' general meeting at its domicile, place of production and operation or other location as specified in the notice of the meeting. A shareholders' general meeting shall be held at a place and time where as many shareholders as possible are present.

A shareholders' general meeting shall be convened on-site at a venue, or held in one or more locations as a hybrid meeting or electronic meeting, and shall facilitate the shareholders to attend the meeting by way of other safe, economical and convenient means as required by the laws, regulations and these articles of association. The shareholders that have participated in the meeting by the aforementioned means shall be deemed to have attended the meeting.

A hybrid meeting means a shareholders' general meeting at which (i) the shareholders and/or their proxies may attend by physical attendance at the principal meeting place and where applicable, one or more meeting locations, and (ii) the shareholders and/or their proxies may attend and participate virtually by electronic means.

If the shareholders remotely participate in the shareholders' general meeting through the Internet, video conferencing, electronic meeting or other means, they shall complete the registration and identity verification in accordance with the notice of the shareholders' general meeting in advance, send their personal information to the Company, and use the link and password provided by the Company to participate in the shareholders' general meeting. Without prejudice to the normal convening of the shareholders' general meeting, the board of directors and the chairman of the meeting shall arrange for shareholders who remotely participate in the shareholders' general meeting to speak and ask questions during the meeting. If the Company does not provide a voting system for shareholders who remotely participate in the shareholders' general meeting, shareholder who is unable to attend the shareholders' general meeting on-site may appoint his/her proxy to vote at the shareholders' general meeting on his/her behalf.

Once the notice of a shareholders' general meeting has been issued, the venue of the on-site meeting shall not be changed without valid reasons. If a change of venue is necessary, the convener shall make an announcement stating the reasons at least two working days prior to the date of the on-site meeting.

SECTION 3 CONDUCTING OF SHAREHOLDERS' GENERAL MEETINGS

Article 45 Shareholders' general meetings shall be convened by the board of directors in accordance with the laws. When the board of directors is unable or fails to perform its duty to convene the shareholders' general meeting, the supervisory committee shall convene and preside over the meeting promptly. In the case of failure to convene and preside over the shareholders' general meeting by the supervisory committee, shareholders holding 10% or more of the shares of the Company separately or in aggregate for more than 90 consecutive days shall have the right to convene and preside over the meeting on their own.

Article 46 Independent non-executive directors shall have the right to propose to the board of directors to convene an extraordinary general meeting. The board of directors shall, in accordance with laws, regulations and these articles of association, give a written reply on whether or not it agrees to convene such extraordinary general meeting within ten days after receipt of the proposal. If the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the board of directors. If the board of directors does not agree to convene such meeting, an announcement shall be made stating the reasons.

Article 47 The supervisory committee shall have the right to propose to the board of directors in writing to convene an extraordinary general meeting. The board of directors shall, in accordance with laws, regulations and these articles of association, give a written reply on whether or not it agrees to convene such meeting within ten days after receipt of the proposal.

If the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the board of directors and any changes to the original proposal contained in the notice shall be subject to the approval of the supervisory committee.

If the board of directors does not agree to convene such meeting, or fails to give a response within ten days after receipt of the proposal, the board of directors shall be deemed to be unable to or have failed to perform its duty to convene the shareholders' general meeting, and the supervisory committee shall have the right to convene and preside over such meeting on its own.

Article 48 Shareholders holding 10% or more of the shares of the Company separately or in aggregate shall have the right to request the board of directors to hold an extraordinary general meeting, and shall put forward such request to the board of directors in writing. The board of directors shall, pursuant to the applicable laws, regulations and these articles of association, give a written reply on whether or not it agrees to hold such extraordinary general meeting within 10 days after receipt of the request.

If the board of directors agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be issued within five days after the date of the resolution of the board of directors and any changes to the original proposal contained in the notice shall be subject to the approval of the shareholders who propose to hold an extraordinary general meeting.

If the board of directors does not agree to convene such meeting, or fails to give a response within ten days after receipt of the request, shareholders holding 10% or more of the shares of the Company separately or in aggregate shall have the right to propose to the supervisory committee to convene an extraordinary general meeting, and shall put forward such request to the supervisory committee in writing.

If the supervisory committee agrees to convene an extraordinary general meeting, a notice for convening such meeting shall be issued within five days after receipt of the request and any changes to the original proposal contained in the notice shall be subject to the approval of the relevant shareholders.

If the supervisory committee fails to issue a notice convening the shareholders' general meeting by the prescribed period, the supervisory committee shall be deemed to refuse to convene and preside over such meeting, and shareholders holding 10% or more of the shares of the Company separately or in aggregate for no less than 90 consecutive days shall have the right to convene and preside over the meeting on their own.

Article 49 If the supervisory committee or shareholders decide(s) to convene a shareholders' general meeting on its/their own, a written notice shall be submitted to the board of directors. A resolution shall be considered and approved at the shareholders' general meeting where the convening shareholder shall hold no less than 10% of the shares of the Company.

Article 50 When the supervisory committee or shareholders convene(s) a general meeting on its/their own, the board of directors and the secretary to the board of directors shall offer their support. The board of directors shall furnish the register of shareholders as of the record date.

Article 51 When the supervisory committee or shareholders convene(s) a general meeting on its/their own, the necessary expenses shall be borne by the Company.

SECTION 4 PROPOSALS AND NOTICES OF SHAREHOLDERS' GENERAL MEETINGS

Article 52 The proposals put forward to the shareholders' general meetings shall fall within the scope of functions and powers of the shareholders' general meeting, have clear issues for discussion and specific matters to be resolved, and comply with the laws and regulations and these articles of association.

Article 53 When the Company convenes a shareholders' general meeting, the board of directors, the supervisory committee and shareholders holding 3% or more of the shares of the Company separately or in aggregate shall be entitled to put forward proposals to the Company.

Shareholders individually or jointly holding 3% or more of the shares of the Company may submit ad hoc proposals to the convener of a shareholders' general meeting in writing ten days prior to shareholders' general meeting. The convener shall issue a supplementary notice of the shareholders' general meeting to provide information of such ad hoc proposals within two days after receipt thereof.

Except as provided in the preceding paragraph, the convener of a shareholders' general meeting shall not amend the proposals set out in the notice of the shareholders' general meeting or put up any new proposals after the issuance of the notice of the shareholders' general meeting.

Proposals which are not specified in the notice of the shareholders' general meeting or which are not in compliance with Article 52 shall not be voted on or resolved at the shareholders' general meeting.

Article 54 The convener of the shareholders' general meeting shall issue a written notice to all shareholders at least 21 days prior to the convening of the annual general meeting and at least 15 days prior to the convening of the extraordinary general meeting.

The notice of the shareholders' general meeting shall be served on all shareholders (whether or not such shareholders are entitled to vote at the shareholders' general meeting) in person or by prepaid mail. The address of the recipient shall be the address as shown in the register of members. Alternatively, the notice of shareholders' general meeting can be published on the website of the Company or the websites designated by the Hong Kong Stock Exchange in accordance with the applicable laws, regulations and the listing rules of the place where the shares of the Company are listed. If, subject to the Company's Articles of Association, a notice shall be issued to holders of overseas listed foreign shares, the said notice shall also be published in such manner as stipulated by the Hong Kong Listing Rules. As for holders of domestic shares, the notice of a shareholders' general meeting may also be disseminated through public announcement.

The periods of "21 days" and "15 days" shall not include the day on which the meeting is convened but include the day on which the notice is issued.

Article 55 The notice of a shareholders' general meeting shall:

- (I) specify the time, venue and duration of the meeting;
- (II) state the matters and proposals to be deliberated at the meeting;

- (III) contain a statement explicitly stating that all holders of ordinary shares (including preferred shareholders with restored voting rights) are entitled to attend the shareholders' general meeting in person or by proxy and to vote on their behalf and that such proxies need not be a shareholder;
- (IV) specify the record date for shareholders entitled to attend the shareholders' general meeting;
- (V) specify the name and telephone number of the contact person of the meeting;
- (VI) specify the time and procedures for voting via the Internet or by other means;
- (VII) contain other information required by laws, regulations and the regulatory rules of the place where the shares of the Company are listed and these Articles of Association.

Notices and supplementary notices of shareholders' general meetings shall adequately and completely disclose the particulars of all proposals. Where the opinions of an independent non-executive director are required on the matters to be discussed, such opinions and reasons thereof shall be provided when the notices or supplementary notices of shareholders' general meetings are served.

Article 56 If the election of directors or supervisors is proposed to be discussed at a shareholders' general meeting, the notice of such meeting shall adequately disclose particulars of the candidates for directors or supervisors, which shall at least include:

- (I) personal particulars, including educational background, work experience, and part-time jobs;
- (II) whether they are connected with the Company, its controlling shareholders or de facto controllers;
- (III) their shareholdings in the Company;
- (IV) whether they are subject to the punishment of the CSRC and other relevant departments and the penalty of stock exchanges;
- (V) information of the directors or supervisors newly appointed, re-elected or re-designated required to be disclosed under the Hong Kong Listing Rules.

Except for the election of directors and supervisors through cumulative voting, election of each candidate for director or supervisor shall be conducted by separate resolution.

Article 57 After the notice of the shareholders' general meeting is issued, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In the case of any postponement or cancellation of the meeting, the convener shall explain the reasons in writing at least two working days prior to the original scheduled date. If the Company changes the venue or time of a shareholders' general meeting, it shall give adequate prior notice to the shareholders.

SECTION 5 CONVENING OF SHAREHOLDERS' GENERAL MEETINGS

Article 58 The board of directors of the Company and other conveners will take necessary measures to ensure the normal order of a shareholders' general meeting. It/they will take measures to halt acts that disrupt the meeting or which seek to cause trouble or infringe upon the lawful rights and interests of shareholders, and promptly report the same to the relevant authorities to investigate and deal with the matter.

Article 59 All holders of the Company's ordinary shares (including preferred shareholders with restored voting rights) whose names appear in the register of shareholders as of the record of or their proxies shall be entitled to attend the shareholders' general meeting and vote in accordance with the applicable laws, regulations and these articles of association.

Any shareholder may attend the shareholders' general meeting in person or appoint one or more persons (whether or not such persons are shareholders) as his/her proxies to attend, speak and vote on his/her behalf.

Article 60 The instrument appointing a proxy must be in writing under the hand of the shareholder or submitted through other designated electronic address recognized by the board of directors, or by his/her attorney duly authorized in writing or submitted through the designated electronic address or other electronic means. For a corporate shareholder, the proxy must be affixed with the common seal or signed by its attorney duly authorized in writing or submitted through the designated electronic address or other electronic means.

Article 61 If a shareholder is a Recognized Clearing House or its agent of the place where the shares of the Company are listed, he/she may authorize one or more proxy(ies) as he/she thinks fit to act as his/her proxy(ies) at any shareholders' general meeting or class meeting or creditors' meeting. However, if more than one proxy is appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. The proxy form shall be signed by the personnel authorized by the Recognized Clearing House. Such authorized proxies are entitled to attend the meeting on behalf of the Recognized Clearing House or their agent (without presentation of evidence of their shareholding, notarized authorization and/or further proof demonstrating the duly granting of the same) and exercise the rights of the Recognized Clearing House or their agent, as if they were the individual shareholders of the Company who are entitled to statutory rights equivalent to other shareholders, including rights to speak and vote. Individual shareholders attending a shareholders' general meeting in person shall produce their identity cards or other valid proof or evidence of their identities, and in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the proxy forms from shareholders.

For a corporate shareholder, its legal representative or a proxy appointed by such legal representative shall attend a shareholders' general meeting. In the case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and, in the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the letters of authorization issued by such legal representatives according to the laws.

Article 62 The proxy form issued by a shareholder to appoint a proxy to attend any shareholders' general meeting shall contain the following:

- (I) name of the proxy;
- (II) the number of shares of the principal represented by the proxy;
- (III) whether the proxy has voting rights;
- (IV) indication of consent, objection or abstention concerning each proposal to be resolved on the agenda of the general meeting;
- (V) whether the proxy has the right to vote on extempore motions that may be added to the agenda of the general meeting and the specific instructions as to what vote to cast if he/she has such right to vote;
- (VI) the date of signing of the instrument and term of validity;
- (VII) if more than one proxy is so appointed, the instrument of appointment shall specify the number of shares represented by each proxy so appointed;
- (VIII) the signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed, or submitted through the designated electronic address or other electronic means or submitted through the designated electronic address or other electronic means.

Article 63 The proxy forms shall contain a statement that in the absence of specific instructions by the shareholder, whether the proxy may vote as he/she thinks fit.

Article 64 Where the instrument authorizing the proxy to vote is signed by another person authorized by the principal, the authorization letter or other documents authorizing the signatory shall be notarized. The notarized authorized letter or other authorized documents shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other places as specified in the notice of convening the meeting.

Where the principal is a legal person, its legal representative or the person authorized by resolution of its board of directors or other decision-making body shall be entitled to attend the shareholders' general meetings of the Company as the representative of such legal person.

Article 65 A registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of the attendees (or names of organizations), identity card numbers, residential addresses, the number of shares held or voting rights represented and names of the proxies (or names of organizations).

Article 66 The convener shall verify the validity of the qualifications of shareholders based on such shareholders' register, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

Article 67 When the shareholders' general meeting is convened, all members of the board of directors, supervisors, and the board secretary shall attend the meeting, while the general manager and other senior officers shall attend the meeting but without voting rights.

Article 68 A shareholders' general meeting shall be presided over by the chairman of the board of directors. If the chairman is unable or fails to discharge his/her duties, half or more of the directors shall designate a director to preside over the meeting.

If a shareholders' general meeting is convened by the supervisory committee, the chairman of the supervisory committee shall preside over the meeting. If the chairman of the supervisory committee is unable or fails to discharge his/her duties, half or more of the supervisors shall designate a supervisor to preside over the meeting.

If a shareholders' general meeting is convened by the shareholders themselves, the convener will nominate a representative to preside over the meeting.

When a shareholders' general meeting is convened, if the chairman of the meeting contravenes the Rules of Procedure, rendering the meeting impossible to proceed, with the consent from more than half of the attending shareholders with voting rights, one person may be nominated at the shareholders' general meeting to serve as the chairman and the meeting may proceed.

Article 69 The Company has formulated the Rules of Procedure for Shareholders' General Meetings, which specify in detail the procedures for convening and voting at the shareholders' general meeting, including notification, reviewing of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, as well as principles for the authorization granted to the board of directors by the shareholders' general meeting, whereby such authorization shall be clear and specific. The Rules of Procedure for Shareholders' General Meetings shall be appended to these articles of association. They shall be formulated by the board of directors and approved by the shareholders' general meeting.

Article 70 At the annual general meeting, the board of directors and the supervisory committee shall report their work for the past year to the general meeting. Each independent non-executive director shall also present a work report.

Article 71 Directors, supervisors and senior management shall provide explanations and answers to the enquiries and suggestions from shareholders at the shareholders' general meeting.

Article 72 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.

Article 73 Minutes shall be prepared for shareholders' general meetings by the secretary to the board of directors. The minutes shall state the following contents:

- (I) the time, venue and agenda of the meeting and the name of the convener;
- (II) the name of the chairman of the meeting and the names of the directors, supervisors, general managers and senior management attending or present at the meeting;

- (III) the number of shareholders and proxies attending the meeting, total number of voting shares they represent, and the percentages of their voting shares to the total share capital of the Company for each shareholder;
- (IV) the process of review and discussion, summary of any speech, and voting results of each proposal;
- (V) the shareholders' questions, opinions, suggestions and corresponding answers or explanations;
- (VI) the names of lawyer(s), vote counters and scrutinizer(s) of the voting;
- (VII) other contents to be included as specified in these articles of association.

Article 74 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, supervisors, secretaries to the board of directors, conveners or their representatives attending the meeting, and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the signed attendance record of attending shareholders, proxy forms and valid information on other means of voting at the domicile of the Company, for a period of no less than 10 years.

Article 75 The convener shall ensure that the shareholders' general meeting is conducted continuously until final resolutions are made. If the shareholders' general meeting is suspended or resolutions cannot be made because of force majeure or other special causes, the convener shall take necessary measures to resume the meeting or directly terminate that meeting as soon as practicable, and a notice shall be given to shareholders promptly.

SECTION 6 VOTING AND RESOLUTIONS OF SHAREHOLDERS' GENERAL MEETINGS

Article 76 Resolutions of the shareholders' general meeting are divided into ordinary resolutions and special resolutions.

Ordinary resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance (including proxies) holding at least half of the voting rights.

Special resolutions of the shareholders' general meeting shall be adopted by shareholders in attendance (including proxies) holding at least two-thirds of the voting rights.

Article 77 Resolutions of the shareholders' general meeting

- (I) The following matters shall be adopted by ordinary resolution in the shareholders' general meeting, unless otherwise provided by laws, regulations and these articles of association:
 - (1) the work reports of the board of directors and the supervisory committee;
 - (2) the profit distribution plans and plans for making up losses drafted by the board of directors;

- (3) the dismissal and remuneration of the members of the board of directors and the supervisory committee and the method of payment of the remuneration;
 - (4) the annual budgets and final accounts, as well as annual reports of the Company;
 - (5) matters other than those that laws, regulations or these articles of association require to be adopted by special resolution.
- (II) The following matters shall be adopted by special resolution at the shareholders' general meeting:
- (1) the increase or reduction of the registered capital and issuance of any class of shares, warrants and other similar securities by the Company;
 - (2) the amendment of these articles of association of the Company;
 - (3) the issuance of corporate bonds and the listing of securities of the Company;
 - (4) the merger, split-up, dissolution, liquidation (including voluntary winding up) or change in the corporate form of the Company;
 - (5) the purchase or sale of material asset(s) or the provision of security by the Company within one year with the amount(s) exceeding 30% of the latest audited total assets of the Company, except those needed for the daily operation of the Company or the provision of security for the Company;
 - (6) equity incentive plans of the Company;
 - (7) other matters which are stipulated by laws, regulations or these articles of association, and which are supposed to have a significant impact on the Company if they are passed by ordinary resolution at the shareholders' general meeting or which are required to be adopted by special resolution at the shareholders' general meeting.

When the shareholders' general meeting considers matters relating to a connected transaction, the connected shareholders shall not participate in the vote, and the number of voting shares represented by them shall not be counted in the total number of valid voting shares. The resolution of the shareholders' general meeting shall fully disclose the voting by the unconnected shareholders.

Article 78 When a shareholder (including his/her proxy) exercises his/her voting rights based on the number of voting shares which he/she represents, each share shall entitle him/her to one vote.

No voting rights shall be attached to the shares held by the Company, and such shares shall not be counted among the total number of voting shares held by the shareholders present at a shareholders' general meeting.

Article 79 Lists of nominations for the candidates for directors or supervisors shall be put forward by way of proposal at the shareholders' general meetings for voting.

The method and procedure for nominating candidates for directors and supervisors are as follows:

- (I) The incumbent board of directors, shareholders individually or in aggregate continuously holding 3% or more of the shares of the Company, may nominate candidates (excluding independent non-executive directors) for the next session of the board of directors or for filling the casual vacancies of the board of directors without exceeding the number of persons to be elected. The qualifications of the candidates shall be reviewed by the incumbent board of directors. The qualified candidates for directors shall be proposed by the board of directors to a shareholders' general meeting for voting.
- (II) The incumbent supervisory committee, shareholders individually or in aggregate continuously holding 3% or more of the shares of the Company, may nominate candidates who are not employee representatives for the next session of the supervisory committee or for filling the casual vacancies of the supervisory committee without exceeding the number of persons to be elected. The qualifications of the candidates shall be reviewed by the incumbent supervisory committee. The qualified candidates for supervisors shall be proposed to a shareholders' general meeting by the supervisory committee for voting. Supervisors who are employee representatives shall be elected through an employee representative meeting and become a member of the supervisory committee directly.
- (III) The incumbent board of directors, supervisory committee, shareholders individually or in aggregate continuously holding 1% or more of the shares of the Company, may nominate candidates for independent non-executive directors to the shareholders' general meeting. The qualifications of the candidates shall be reviewed by the incumbent board of directors. The qualified candidates for independent non-executive directors shall be proposed by the board of directors to a shareholders' general meeting for voting.
- (IV) The above-mentioned proposals submitted by the board of directors, the supervisory committee and shareholders with the right to nominate to the convener of the shareholders' general meeting shall include relevant information such as the identity certificates, resumes and basic particulars of the candidates for directors and supervisors. The board of directors shall disclose the details of the candidates for directors and supervisors before the convening of the shareholders' general meeting.

Article 80 When a proposal is considered at a shareholders' general meeting, no amendment shall be made unless such amendment is deemed to be made as a new proposal which shall not be voted on at the current shareholders' general meeting.

Article 81 A vote may only be cast by either on-site voting or other voting methods. If one vote is cast by more than one method, the first vote shall prevail.

Article 82 The resolutions submitted to the shareholders' general meeting of the Company shall be voted by open ballot.

Article 83 Before the shareholders' general meeting votes on a proposal, two shareholder representatives shall be elected to participate in the vote counting and vote scrutiny. When a shareholder has a material interest in a matter being considered, he/she and his/her proxy may not participate in the vote counting or vote scrutiny.

When the shareholders' general meeting votes on a proposal, the shareholders' representatives and supervisors' representatives shall be jointly responsible for counting the votes and scrutinizing the vote count and shall announce the results of the vote on the spot. The results of the votes on the resolutions shall be entered into the minutes of the meeting.

Article 84 The shareholders' general meeting held on-site shall not end earlier than the shareholders' general meetings otherwise held. The chairman of shareholders' general meeting shall announce the outcome and results of the vote on each proposal and announce whether each such proposal has been passed based on the results of the votes.

Until the formal announcement of the voting results, relevant parties, such as the companies, vote counters, scrutineers and major shareholders, involved in the voting in person or in other ways at the shareholders' general meeting shall bear an obligation of confidentiality in respect of the voting.

Article 85 The shareholders present at a shareholders' general meeting shall clearly vote for or against, or abstain from voting on each proposal put to vote.

If a ballot is blank, marked erroneously, illegible or has not been cast, the voter shall be deemed to have waived his/her right to vote, and the voting result of the number of shares held by him/her shall be counted as "abstention".

Article 86 Where the stock exchange in the place where the shares of the Company are listed requires an abstention by any shareholder in respect of a resolution, or imposes restrictions on any shareholder for voting for (or against) a resolution, the vote casted by such shareholder or his/her proxy(ies) shall not be counted in the case of any violation of the said requirement or restrictions. If the chairman of the meeting has any doubts concerning the result of the vote on any resolution, he/she may organize a recount of the number of votes cast. If the chairman of the meeting does not conduct a recount of the votes and an attending shareholder or proxy challenges the result of a vote announced by the chairman of the meeting, he/she has the right to demand a vote recount immediately following the announcement of the result, in which case the chairman of the meeting shall promptly organize a recount of the votes.

Article 87 A resolution of a shareholders' general meeting shall specify the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and its proportion to the total number of voting shares of the Company, the form of voting, the voting result of each resolution and the detailed content of each resolution.

Article 88 If a proposal is not passed or a resolution passed at the previous shareholders' general meeting is amended at such general meeting, it shall be set out as a special reminder in the resolutions of the shareholders' general meeting.

Article 89 Where a proposal on the election of directors or supervisors is passed at the shareholders' general meeting, the term of office of a new director or supervisor shall commence on the date on which the relevant resolution is approved by the meeting. However, in the case of a regular election of directors or supervisors, if the term of office of the former directors or supervisors expires later than the date on which the resolution of the shareholders' general meeting is passed, the term of office of a new director or supervisor shall commence on the date immediately after the expiration of the term of office of the former directors or supervisors.

Article 90 Where the shareholders' general meeting passes a proposal regarding cash dividends, bonus shares or capitalization of capital reserve, the Company shall implement specific plans within two months following the conclusion of the meeting.

CHAPTER 5 BOARD OF DIRECTORS

SECTION 1 DIRECTORS

Article 91 The directors of the Company shall be individuals, and they shall be disqualified from serving as directors if any of the following circumstances apply:

- (I) a person who has no or restricted capacity for civil conduct;
- (II) a person who has committed an offense of corruption, bribery, infringement of property, misappropriation of property or disruption of the socialism economic order and has been punished because of committing such offense where less than five years have lapsed following the completion of the implementation of the punishment; or who has been deprived of his/her political rights for committing an offense where less than five years have lapsed following such deprivation;
- (III) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and is personally liable for the insolvency of such company or enterprise, where less than three years have lapsed following the date of the completion of the insolvency and liquidation of such company or enterprise;
- (IV) a person who is a former legal representative of a company or enterprise which had its business license revoked or had been ordered to close down due to violation of the laws and has incurred personal liability, where less than three years have lapsed since the date of the revocation of such business license;
- (V) a person who has a relatively large amount of debt due and outstanding;
- (VI) a person subject to an ongoing prohibition from entering the securities market imposed by the CSRC;
- (VII) they are disqualified under other provisions stipulated by laws, administrative regulations or departmental regulations.

If a director is elected or appointed in violation of this Article, such election, appointment or engagement shall be invalid. If a director falls into any of the aforementioned situations during his/her tenure, his/her directorship shall be terminated.

Article 92 Directors shall be elected or replaced by shareholders' general meetings and may have their office terminated by the shareholders' general meeting prior to the expiration of their term. Directors shall have a term of three years, renewable upon expiry if re-elected.

Shareholders may remove any director before the expiry of his/her term of office by ordinary resolution (without prejudice to any claim in accordance with any contract) at the shareholders' general meetings subject to the compliance with applicable laws and administrative regulations.

A director's term of office shall commence from the date when he/she takes office and end upon expiry of the term of the current session of the board of directors. The existing director shall continue to perform the duties of a director in accordance with laws, regulations and these articles of association after the expiry of his/her term if no re-election is held in time. The term of office of a person appointed as a director by the board of directors to fill a casual vacancy or as an additional member of the board of directors shall terminate when the first shareholders' annual general meeting following his/her appointment is held, and such person shall be eligible for re-election.

The general manager and senior management members may concurrently serve as directors, provided that the total number of directors who concurrently serve as the general manager and senior management members shall not be more than half of the total number of directors of the Company.

Article 93 Directors have a fiduciary duty to the Company and shall faithfully fulfill the following obligations in accordance with applicable laws, administrative regulations, and these Articles of Association:

- (I) not to abuse their authority of office to accept bribes or other illegal income and not to misappropriate the properties of the Company;
- (II) not to misappropriate funds of the Company;
- (III) not to open accounts in his/her own name or other names for the deposit of the assets or funds of the Company;
- (IV) not to lend the funds of the Company to others without the consent of the shareholders' general meeting or the board of directors in violation of these articles of association and not to use the properties of the Company as security for a shareholder of the Company or other individual(s);
- (V) not to enter into any contracts or conduct any transactions with the Company that violate these Articles of Association or occur without the approval of the shareholders' general meeting;
- (VI) not to abuse their power to garner business opportunities that rightfully belong to the Company for themselves or others, either by operating similar businesses as the Company or conducting such businesses on behalf of others, without the consent of the shareholders' general meeting;
- (VII) not to retain personal commissions from transactions with the Company;
- (VIII) not to disclose any confidential information of the Company without authorization;

- (IX) not to exploit their affiliated relationships to harm the interests of the Company;
- (X) fulfilling other fiduciary obligations as stipulated by applicable laws, administrative regulations, departmental rules, and these Articles of Association.

Any proceeds received by directors in breach of this Article shall be claimed by the Company, and they shall be held liable for compensating the Company for any losses incurred.

Article 94 The directors shall comply with the laws, regulations and these articles of association and shall faithfully perform the following responsibilities:

- (I) exercising the power granted by the Company with prudence, conscientiousness and diligence to ensure that the business operations of the Company are in compliance with the laws, regulations and economic policies of China and business operations of the Company are within the scope under its business license;
- (II) treating all shareholders equally;
- (III) keeping abreast of the business operations and management of the Company;
- (IV) giving written acknowledgment of the Company's regular reports, ensuring that the disclosed information is true, accurate and complete;
- (V) providing true information and materials to the Supervisory Committee without interfering the Supervisory Committee or supervisors in the exercise of their duties;
- (VI) fulfilling other obligations of diligence as stipulated by the laws, regulations and these articles of association.

Article 95 A director who fails to attend two consecutive meetings of the board of directors in person or by proxy shall be deemed as unable to perform his/her duties. The board of directors shall propose to the shareholders' general meetings for the removal of such director.

Article 96 Directors may request to resign prior to the expiry of their term of office. The resigning director shall submit a written resignation to the board of directors.

If any director resigns such that the membership of the board of directors falls short of the number of directors required, such director shall continue to fulfill his/her duties as director pursuant to laws, regulations and these articles of association until a new director is elected.

Save as provided in the preceding paragraph, the resignation of a director shall be effective when his/her resignation is served to the board of directors.

Article 97 Any independent director may request to resign prior to the expiry of his/her term. If at any time the number of the independent directors of the Company does not satisfy the number, qualifications or independence requirements under Hong Kong Listing Rules, the Company shall notify the Hong Kong Stock Exchange immediately, and issue an announcement to provide the particulars and reasons. The Company shall also appoint a sufficient number of independent directors to meet the requirements of the Hong Kong Listing Rules within three months of such non-compliance with the relevant requirements.

Article 98 A director shall commence the handover procedure with the board of directors upon his/her resignation or the expiry of his/her term. The obligations of honesty of a director towards the Company and shareholders do not necessarily cease after his/her resignation or the expiry of term of office. The obligations of confidentiality in respect of trade secrets of the Company survive after the expiry of his/her term of office until such trade secrets become publicly known. Other obligations may continue for a period to be determined on a reasonable basis.

Article 99 If the Company suffers losses due to the violation of the laws, regulations or these articles of association by any director during the performance of his/her duties, the director shall be liable for compensation.

Article 100 The Company shall have independent non-executive directors who shall act in accordance with the laws, regulations and these articles of association.

SECTION 2 BOARD OF DIRECTORS

Article 101 The Company shall have a board of directors which shall be accountable to the shareholders' general meetings.

Article 102 The board of directors shall consist of nine directors, including three independent non-executive directors.

Article 103 The board of directors shall perform the following responsibilities:

- (I) to convene shareholders' general meetings to present their work reports at such meetings;
- (II) to implement the resolutions of shareholders' general meetings;
- (III) to change the scope of business or the name of the Company;
- (IV) to decide on the business and investment plans of the Company;
- (V) to prepare the annual financial budgets and final accounts of the Company;
- (VI) to formulate the profit distribution plans and loss recovery plans of the Company;
- (VII) to propose the increase or reduction of the registered capital of the Company;
- (VIII) to propose the issuance of corporate bonds and listing of securities of the Company;
- (IX) to formulate the plans of merger, division, dissolution or other changes in corporate structure of the Company;
- (X) to decide the purchase and disposals of major assets of a value exceeding 30% of the latest audited total assets of the Company;
- (XI) to determine the establishment of the internal management structure and the establishment of branches of the Company;

- (XII) to determine the appointment and dismissal of the general manager and the secretary to the board of directors of the Company, and the appointment and dismissal of the deputy general manager, chief financial officer and the senior management as proposed by the general manager and to determine their remuneration, rewards and punishments;
- (XIII) to formulate the general management systems of the Company;
- (XIV) to formulate the remuneration and incentive systems of the Company;
- (XV) to propose amendments to these articles of association;
- (XVI) to propose to shareholders' general meetings for the appointment or replacement of the accounting firm that provides audit service to the Company;
- (XVII) to determine the provision of guarantee for third parties not required to be considered by shareholders' general meeting;
- (XVIII) to determine the establishment of the subsidiaries and branches of the Company, and the reorganization of such subsidiaries;
- (XIX) to review the work reports of the general manager of the Company and inspect his/her work;
- (XX) to consider and approve the connected transactions required to be considered and approved by the board of directors in accordance with the laws, regulations, listing rules of the stock exchange on which the shares of the Company are listed and these articles of association;
- (XXI) other duties conferred by these articles of association or the shareholders' general meeting;
- (XXII) other matters as required in the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed.

The board of directors shall establish four committees, including the audit committee, strategy development committee, nomination committee, and remuneration and evaluation committee. The committees shall be accountable to the board of directors and perform their duties in accordance with these articles of association and the authorization of the board of directors. The proposals of the committees shall be submitted to the board of directors for approval. All members of the committees shall be directors. Independent non-executive directors shall be the majority in the audit committee, nomination committee, and remuneration and evaluation committee, and shall act as conveners. The convener of the audit committee shall be an accounting professional. The board of directors is responsible for formulating the rules of the committees to regulate their operation.

Matters beyond the scope of authorization given by the shareholders' general meetings shall be submitted to the shareholders' general meetings for consideration.

Article 104 The board of directors shall give explanations to the shareholders' general meetings in respect of the non-standard opinion in the auditors' report issued by the certified public accountants in respect of the financial reports of the Company.

Article 105 The board of directors shall formulate the rules of procedures of board meetings to ensure the implementation of the resolutions of shareholders' general meetings, the efficiency of operation and proper decision-making.

Article 106 The rules of procedures of the board meetings shall specify the procedures for the convening of and voting at the board meetings. The rules shall be appended to these articles of association and shall be formulated by the board of directors for approval by the shareholders' general meeting.

Article 107 The board of directors shall determine the authority for external investments, purchase and sale of assets, mortgages, external guarantee, entrustment of financial services and connected transactions, and establish stringent procedures for review and decision-making. Major investment projects shall be assessed by experts and professionals and reported to the shareholders' general meeting for approval.

Article 108 The board of directors shall have a chairman with no vice chairman. The chairman shall be elected and removed by more than half of all the directors. The term of office of the chairman shall be three years and may be renewed upon re-election.

Article 109 The chairman of the board of directors shall have the following responsibilities:

- (I) to preside over shareholders' general meetings, and to convene and preside over meetings of the board of directors;
- (II) to supervise and examine the implementation of the resolutions of the board of directors;
- (III) to sign share certificates, corporate bonds and other negotiable securities of the Company;
- (IV) to sign the significant documents of the board of directors and other documents required to be signed by the legal representative of the Company;
- (V) to perform the duties of a legal representative;
- (VI) in the event of force majeure such as natural disasters, to take contingent measures in dealing with the affairs of the Company in accordance with the laws and in the interests of the Company, and to report to the board of directors and shareholders' general meetings of the contingent measures;
- (VII) to perform other duties assigned by the board of directors.

Article 110 If the chairman of the board is unable to perform his/her duties or fails to perform his/her duties, a director shall be elected by at least one half of the directors to perform such duties.

Article 111 Meetings of the board of directors include regular meetings and extraordinary meetings. The board of directors shall hold at least four regular meetings each year on a quarterly basis.

Article 112 An extraordinary board meeting may be requested by shareholders holding more than one tenth of the total number of shares carrying voting rights, more than one third of the directors or the board of supervisors. The chairman of the board of directors shall convene and chair the board meeting within ten days after receiving such request.

Article 113 A written notice of board meetings shall be served 14 days before the date of a regular meeting and five days before the date of an extraordinary meeting.

The aforesaid notice period may be exempted at the discretion of the board of directors. Any director and supervisor present and who does not raise any objection to the absence of notice before or at the beginning of the meeting shall be deemed to have been served the notice of the meeting.

Article 114 The notice of a board meeting shall specify:

- (I) the date and venue of the meeting;
- (II) the duration of the meeting;
- (III) the reasons for holding the meeting and the matters to be discussed;
- (IV) the date of notice.

Article 115 The quorum of a meeting of the board of directors shall consist of more than one half of all directors. A resolution of the board of directors shall be passed by more than half of all directors.

When voting on the resolutions of the board of directors, each director shall have one vote.

Article 116 Meetings of the board of directors may be held onsite, in the form of written resolutions or other means agreed by all directors. If a board meeting is to be held on site, telephone, video or other means can be used to facilitate the participation of directors. Directors participating in the meeting by telephone, video or other means shall be deemed as attending the meeting.

If a major shareholder (for the purpose of this section only, major shareholders refer to shareholders who individually or jointly hold more than 10% of total voting shares of the Company) or a director has significant interest in the matter to be considered which is considered material by the board of directors, the matter shall be dealt with by a physical board meeting rather than by written resolution. Independent non-executive directors who, and whose close associates (as defined in the Hong Kong Stock Exchange Listing Rules), have no material interest in the transaction should be present at that board meeting.

Article 117 Votes at the meetings of the board of directors may be conducted by a show of hands or disclosed ballot.

Resolutions of extraordinary meetings of the board of directors may be adopted by voting through telecommunication, provided that the directors are allowed to freely express their views and the resolutions shall be signed by the attending directors.

Article 118 All directors shall attend the board meetings in person. If a director is unable to attend due to certain reasons, he/she may appoint in writing another director to attend on his/her behalf, and the proxy form shall specify the name of the proxy, entrusted matters, the scope of authorization and the duration of validity, and shall be signed or sealed by the principal. A director who attends the meeting as a representative of another director shall exercise the right within the scope of authorization. If a director is unable to attend a board meeting in person and has not appointed a representative to attend on his/her behalf, he/she shall be deemed to abstain from voting at such meeting.

Article 119 The board of directors shall keep minutes of its decisions on the matters considered at its meetings. The directors attending the meeting shall sign the minutes of the meeting.

The minutes of the board meeting shall be kept as records of the Company for a period of not less than ten years.

Article 120 The minutes of the board meeting shall contain the following:

- (I) the date and venue of the meeting and name of the person summoning the meeting;
- (II) the names of the attending directors and the directors (proxies) attending the meeting on behalf of others;
- (III) the agenda;
- (IV) a summary of the discussion;
- (V) the voting method of each resolution and the result (including the number of votes for and against, and abstentions).

CHAPTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT

Article 121 The Company shall have a general manager, who shall be appointed and dismissed by the board of directors.

The Company shall have several deputy general managers. The number of deputy managers shall be determined by the board of directors in light of the operation of the Company. Deputy general managers shall be appointed and dismissed by the board of directors.

The chief financial officer, secretary to the board of directors and other members of the senior management shall be nominated by the general manager and appointed by the board of directors.

Article 122 The provisions of these Articles of Association pertaining to the disqualification of individuals from serving as directors shall equally apply to the senior management.

The provisions of these articles of association concerning directors' duties of loyalty and of clauses (IV) - (VI) of Article 94 concerning the duty of diligence shall also apply to the members of the senior management.

Article 123 No person of the Company who holds a position other than a director or supervisor in other entities under the control of the controlling shareholder or actual controller of the Company shall act as a member of the senior management in the Company.

The senior management of the Company shall receive remuneration solely from the Company and not from the controlling shareholders.

Article 124 Each term of office of the general manager shall be three years and may be extended if he/she is reappointed.

Article 125 The general manager shall be accountable to the board of directors and shall have the following responsibilities:

- (I) to manage the production and operation of the Company, to implement the resolutions of the board of directors, and to report to the board of directors;
- (II) to determine the annual business plan, investment plan, financial budget and final accounts of the Company for approval by the board of directors, and to implement the annual business plan, investment plan and financial budget of the Company;
- (III) to convene and preside over the general manager's office meetings;
- (IV) to determine the internal management organization of the Company;
- (V) to determine the general management system of the Company;
- (VI) to determine the rules and regulations of the Company;
- (VII) to propose the appointment and dismissal of members of senior management of the Company by the board of directors;
- (VIII) to decide on the appointment and dismissal of officers other than those required to be appointed and dismissed by the board of directors;
- (IX) to propose to convene extraordinary meetings of the board of directors;
- (X) other responsibilities conferred by these articles of association or the board of directors.

The general manager may attend the meetings of the board of directors.

Article 126 The general manager shall formulate the working rules of the general manager for the board of directors' approval before the implementation of such rules.

Article 127 The working rules of the general manager shall include the following:

- (I) the conditions and procedures for convening, and participants of the general manager meetings;
- (II) the duties and responsibilities of the general manager and other members of the senior management;

- (III) the use of funds and assets of the Company, the authority to enter into material contracts and the systems for reporting to the board of directors and supervisory committee;
- (IV) other matters deemed necessary by the board of directors.

Article 128 The general manager may resign prior to the expiration of his/her term of office. The resignation of general manager shall be dealt with in accordance with the service contract entered into between the general manager and the Company.

Article 129 The deputy general manager shall be nominated by the general manager and appointed or removed by the board of directors. The deputy general manager shall assist the general manager, perform the duties assigned by the general manager, and execute business documents within his/her scope of duties. The general manager may authorize the deputy general manager to act as the general manager when the general manager is not able to perform his/her duties.

Article 130 The Company shall have a secretary to the board of directors, who shall be a member of the senior management of the Company and shall be appointed by and accountable to the board of directors. The secretary to the board of directors shall be a natural person with the requisite professional knowledge and experience.

The primary responsibilities of the secretary to the board of directors include:

- (I) ensuring that the Company has maintained a complete set of constitutional documents and records;
- (II) ensuring that the Company has prepared and submitted reports and documents required by the relevant authorities in accordance with the laws;
- (III) organizing meetings of the board of directors and shareholders' general meetings, and being responsible for recording and filing of minutes of the meetings;
- (IV) ensuring that the register of shareholders of the Company is properly maintained, and that persons who are entitled to access the relevant records and documents of the Company can access such records and documents in a timely manner;
- (V) handling information disclosure of the Company;
- (VI) other responsibilities stipulated in the laws, regulations, rules, listing rules and other requirements of the stock exchange and these articles of association.

The secretary to the board of directors shall comply with the laws, regulations and these articles of association.

Article 131 A director or other members of the senior management of the Company may also act as the secretary to the board of directors of the Company. An accountant of the accounting firm engaged by the Company shall not act concurrently as the secretary to the board of directors.

Article 132 If a member of the senior management violates the laws, regulations and these articles of association when performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

Article 133 The senior management shall faithfully fulfill their duties and protect the best interests of the Company and all shareholders. Should the senior management fail to faithfully fulfill their duties or violate their fiduciary obligations, thereby jeopardizing the interests of the Company and its public shareholders, they shall be held liable for compensation in accordance with the law.

CHAPTER 7 SUPERVISORY COMMITTEE

SECTION 1 SUPERVISORS

Article 134 The provisions of these Articles of Association pertaining to the disqualification of individuals from serving as directors shall equally apply to supervisors. Directors, the general manager and senior management members shall not serve concurrently as supervisors.

Article 135 Supervisors shall abide by laws, regulations and these articles of association. They shall perform their obligations faithfully and diligently and discharge their supervisory duties in good faith. They shall not abuse their authority of office to accept bribes or other illegal income and shall not misappropriate the properties of the Company.

Article 136 The term of office of a supervisor shall be three years. A supervisor may serve consecutive terms if re-elected.

Article 137 If the number of members of the supervisory committee falls below the statutory number due to a failure of re-election upon expiration of the term of office or due to the resignation of a supervisor during his/her term of office, such supervisor shall continue to perform his/her duties as supervisor in accordance with laws, regulations and these articles of association until a new supervisor is elected.

Article 138 Supervisors are obligated to ensure the accuracy, truthfulness and completeness of the information disclosed by the Company, and to give written acknowledgment of the regular reports.

Article 139 Supervisors may attend meetings of the board of directors and raise questions or make suggestions in respect of matters that are the subject of resolutions of the board of directors.

Article 140 A supervisor shall not use his/her connected relationships and cause damages to the Company and shall be liable for damages of the Company resulting therefrom.

Article 141 If a supervisor violates the laws, regulations or these articles of association when performing his/her duties and causes losses to the Company, he/she shall be liable for compensation.

SECTION 2 SUPERVISORY COMMITTEE

Article 142 The Company shall have a supervisory committee, which shall consist of three supervisors, including two shareholder representatives elected by a shareholder's general meeting and one employee representative elected by the employees of the Company.

The supervisory committee shall have a chairman. The appointment and dismissal of the chairman shall be approved by not less than half of the members of the supervisory committee.

The chairman of the supervisory committee shall convene and preside over meetings of the supervisory committee. If the chairman is unable or fails to perform his/her duties, a supervisor selected by not less than one half of the supervisors shall convene and preside over the meeting.

Article 143 The supervisory committee shall be accountable and report to the shareholders' general meeting, and shall perform the following responsibilities:

- (I) reviewing the regular reports of the Company prepared by the board of directors and submit its written opinions thereon;
- (II) examining the financial matters of the Company;
- (III) supervising the performance of the directors and senior management and proposing the removal of directors or senior management who violate the laws, regulations or these articles of association or resolutions of shareholders' general meeting;
- (IV) demanding remedial action of a director or senior management member if the act of such director or senior management member is detrimental to the interest of the Company;
- (V) proposing the holding of extraordinary general meetings and, in the event that the board of directors fails to convene and preside over a general meeting in accordance with the Company Law, to convene and preside over such a meeting;
- (VI) proposing motions to shareholders' general meetings;
- (VII) suing directors or senior management members in accordance with the Company Law;
- (VIII) conducting an investigation and, if necessary, engaging professional organizations, such as accounting firms and law firms at the cost of the Company, to assist if irregularities in the operation of the Company is found;
- (IX) performing other duties in accordance with the laws, regulations and these articles of association.

Article 144 At least one meeting of the supervisory committee shall be held every six months. Supervisors may propose to convene extraordinary meetings of the supervisory committee.

Article 145 The written notice of meeting of the supervisory committee shall be delivered to all supervisors 10 days before the meeting.

The notice shall specify:

- (I) the date, venue and duration of the meeting;
- (II) reasons for holding the meeting and matters to be discussed;
- (III) date of notice.

Article 146 The notice period may be exempted by the supervisory committee if the circumstances so warrant. A supervisor who is present and raises no objection to the non-compliance of the requirements for notice before or at the commencement of the meeting shall be deemed to have received the notice of the meeting.

Article 147 Each supervisor shall have one vote for each resolution of the supervisory committee meeting.

Resolutions of the supervisory committee shall be adopted by an affirmative vote of at least half of the supervisors.

Article 148 The voting of resolutions of the supervisory committee meetings shall be conducted by a show of hands or by poll.

Article 149 Resolutions of extraordinary meetings of the supervisory committee may be adopted by voting through facsimile or other means considered practical by the supervisory committee, provided that the participating supervisors are allowed to freely express their views and the resolutions shall be signed by the participating supervisors.

Article 150 The supervisory committee shall formulate the rules of procedure for the supervisory committee meetings regarding the procedures for discussion and voting, so as to ensure that the supervisory committee can make reasonable decisions efficiently.

The rules of procedure for the supervisory committee meeting shall be annexed to these articles of association and shall be approved at the shareholders' general meeting.

Article 151 The supervisory committee shall maintain minutes of the meetings so as to record the decisions on the matters considered. Participating supervisors shall initiate the minutes for confirmation.

A supervisor is entitled to request to record his/her speech in the meeting. The minutes of the supervisory committee meeting are documents of the Company and shall be kept for at least 10 years.

Article 152 Supervisors shall attend the meetings of the supervisory committee in person. If a supervisor is unable to attend for any reason, he/she may authorize another supervisor to attend on his/her behalf in writing. The supervisor attending the meeting as proxy shall exercise his/her rights within the scope of authorization. Should a supervisor fail to present at meeting of the supervisory committee and does not appoint a proxy to attend on his/her behalf, he/she shall be deemed to abstain from voting at such meeting.

CHAPTER 8 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDITING

SECTION 1 FINANCIAL AND ACCOUNTING SYSTEMS

Article 153 The Company shall establish its financial and accounting systems in accordance with the laws, regulations and the requirements of the competent authorities of China.

Article 154 The fiscal year of the Company shall coincide with the calendar year, i.e., from January 1 to December 31 on the Gregorian calendar. The Company shall prepare an annual financial report in a timely manner starting from the conclusion of each fiscal year in accordance with applicable laws, regulations and the regulatory requirements of the place where the shares of the Company are listed.

Article 155 The Company shall not maintain accounts other than those provided by the laws. The assets of the Company shall not be deposited in an account maintained in the name of any individual.

Article 156 When distributing the profit after tax for a year, the Company shall set aside 10% of its profit after tax for the statutory reserve. No further allocations will be required when the balance of the statutory reserve reaches 50% of the registered capital of the Company.

Where the statutory reserve of the Company is insufficient to make up the losses of the Company for the preceding year, profits of the current year shall be applied to make up the losses before any allocation to the statutory reserve in accordance with the preceding paragraph.

After allocation to the statutory reserve, subject to the approval by a resolution of a shareholders' general meeting, the profit after tax may also be appropriated to discretionary reserves.

After making up for the losses and making contributions to the surplus reserve, the Company shall distribute any remaining profits after tax to the shareholders in proportion to their respective shareholdings, save for distribution which is not made in proportion to shareholdings as specified in these articles of association.

If the shareholders' general meeting distributes profits to shareholders prior to making up for losses and allocating to the statutory reserve in violation of the aforementioned provisions, the shareholders shall return to the Company the profits distributed in violation of the provisions.

The shares of the Company owned by the Company shall not participate in the distribution of profits.

Article 157 The reserve of the Company shall be applied for making up for losses of the Company, expansion of the production and operation of the Company or capitalization, except that capital reserve shall not be applied for making up losses of the Company.

The balance of the statutory reserve after capitalization shall not fall below 25% of the registered capital of the Company prior to the capitalization.

Article 158 After the general meeting has made a resolution on the profit distribution plan, the board of directors of the company shall complete dividends (or shares) distribution within two months after the shareholders' general meeting. The dividends shall be distributed by way of cash or shares.

Article 159 After making up the losses of the preceding year, the Company shall distribute its after-tax profit in the following order:

- (I) contribution to the statutory reserve;
- (II) contribution to the discretionary reserve, subject to the approval of the shareholders' general meeting;
- (III) payment of dividends to shareholders, subject to the approval of the shareholders' general meeting.

Article 160 The Company shall appoint receiving agents on behalf of the holders of overseas listed foreign shares. The receiving agents shall receive on behalf of such shareholders the dividends declared and all other payments payable by the Company in respect of their overseas listed foreign shares and make payment to such shareholders.

The appointment of receiving agents by the Company shall be in compliance with the laws or the rules of the stock exchange of the place where it is listed.

SECTION 2 INTERNAL AUDITING

Article 161 The Company shall adopt an internal auditing system and engage professional auditors to conduct internal auditing and supervision of its financial revenues and expenditures, and economic activities.

Article 162 The internal auditing system of the Company and duties of the auditors shall be approved by the board of directors. The person in charge of the audit shall be responsible to and report to the board of directors.

SECTION 3 ENGAGEMENT OF ACCOUNTING FIRMS

Article 163 The Company shall engage an accounting firm that conforms to the *Securities Law of the People's Republic of China* to audit its financial statements, verify its net assets and provide consultancy services. The accounting firm so appointed shall hold one-year term of office which is renewable.

Article 164 The appointment of the accounting firm of the Company shall be decided at a shareholders' general meeting, and the board of directors shall not appoint the accounting firm prior to obtaining approval at the shareholders' general meeting.

Article 165 The Company guarantees that the accounting documents, account books, financial and accounting reports and other accounting materials provided to the accounting firm are true and complete. The Company shall not refuse to provide or conceal information and shall not provide false information.

Article 166 The audit expenses of an accounting firm shall be determined at a shareholders' general meeting.

Article 167 When the Company dismisses or does not renew the engagement of an accounting firm, it shall give 30 days' advance notice to the accounting firm. The accounting firm may present its views when the dismissal of the accounting firm is voted at the shareholders' general meeting.

Where an accounting firm resigns, it shall make a representation to shareholders' general meeting as to whether the Company has any irregularity.

CHAPTER 9 NOTICES AND ANNOUNCEMENTS

SECTION 1 NOTICES

Article 168 The notices of the Company shall be delivered in any of the following manners:

- (I) by hand;
- (II) by mail;
- (III) by announcement on the website of the Company or the websites or newspapers designated by the stock exchange in accordance with the applicable laws, regulations and regulatory rules of the place where the shares of the Company are listed;
- (IV) by other means agreed upon in advance by the Company or the recipients, or acknowledged by the recipients upon receipt of the notice;
- (V) by other means approved by laws, regulations and regulatory rules of the place where the shares of the Company are listed or those prescribed by these Articles of Association.

For the purpose of delivering corporate communication to H shareholders as required by the Hong Kong Listing Rules, the Company may post such notice to H shareholders on the designated website of the Company and/or the Hong Kong Stock Exchange or deliver such notice by electronic means, subject to the laws and regulations and the listing rules of the place where the shares of the Company are listed and these articles of association.

“Corporate communication” refers to the documents issued or to be issued by the Company to its H shareholders or other persons, as required by the Hong Kong Listing Rules, for information or action, including but not limited to:

1. the annual report of the Company, including the report of directors, the annual accounting statements, the auditing report and, if applicable, the summary of the financial report of the Company;
2. the interim report and, if applicable, the summary of the interim report of the Company;
3. notices of meetings;

4. listing documents;
5. circulars;
6. forms of proxy (as defined by the listing rules of the place where the shares of the Company are listed).

If a notice is issued by way of an announcement in accordance with these articles of association, such announcement shall be published in accordance with the Hong Kong Listing Rules.

Article 169 The notice of the Company to convene a shareholders' general meeting shall be delivered by hand, mail, facsimile, e-mail or announcement.

Article 170 The notice of the Company to convene a meeting of the board of directors shall be delivered by hand, mail, facsimile or e-mail.

Article 171 The notice of the Company to convene a meeting of the supervisory committee shall be delivered by hand, mail, facsimile or e-mail.

Article 172 The recipient shall sign (or stamp) to acknowledge receipt if the notice of the Company is delivered by hand, and the notice shall be deemed received on the date of delivery. The notice is deemed received on the third business day after such notice is delivered by post if it is sent by post. The notice is deemed received on the date of the facsimile delivery report if it is sent by facsimile. And the notice sent by announcement shall be deemed effectively served on the date of its first publication.

Article 173 The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions passed at the meeting.

SECTION 2 ANNOUNCEMENTS

Article 174 The announcements to be issued to H shareholders in accordance with these articles of association shall be published simultaneously in the manner as required by the Hong Kong Listing Rules. No information about the Company shall be disclosed in other public media before its disclosure in the designated newspapers and websites. The announcements of the Company shall not be replaced by press conferences, question-and-answer sessions with reporters or by any other means.

The board of directors may change the designated media for the disclosure of information about the Company and shall ensure that such designated media complies with the qualifications and criteria as required by the laws and regulations of the mainland China and Hong Kong, securities regulatory authorities under the State Council, overseas regulatory authorities and the stock exchange of the place where the shares of the Company are listed.

CHAPTER 10 MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL, DISSOLUTION AND LIQUIDATION

SECTION 1 MERGER, DIVISION, INCREASE AND DECREASE OF CAPITAL

Article 175 A merger of the Company may be effected either by way of absorption or by the establishment of a new entity.

Merger by absorption refers to a company absorbing another company, in which the company being absorbed shall be dissolved. Merger by establishment refers to establishing a new company by merging two or more companies, whereby the merging parties shall be dissolved.

Article 176 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and a list of assets. The Company shall notify its creditors within ten days from the date of the resolution of the Company on such merger and shall publish a public notice in the newspaper(s) within 30 days from the date of the resolution of the Company on such merger. A creditor has the right, within 30 days from the receipt of such notice from the Company; or, for creditors who do not receive the notice, within 45 days from the date of the public notice, to demand the Company to pay its debts or to provide a guarantee for such debt(s).

Article 177 Upon the merger, the creditors' rights and the indebtedness of each merging party shall be assumed by the surviving entity or the newly established company.

Article 178 Where the Company is to be divided, its assets shall be divided accordingly.

In the event of the division of the Company, the parties to such division shall prepare a balance sheet and a list of assets. The Company shall notify its creditors within ten days from the date of the resolution on such division and shall publish a public notice in the newspaper(s) within 30 days from the date of the resolution on such division.

Article 179 The entities after the division of the Company shall be jointly and severally liable for the pre-division debts of the Company, unless provided otherwise in a written agreement pertaining to the payment of debts between the Company and its creditors prior to the division.

Article 180 In the event of a reduction in registered capital, the Company shall prepare a balance sheet and a list of assets.

The Company shall notify its creditors within ten days from the date of the resolution of the Company on the reduction of registered capital and shall publish a public notice in the newspaper(s) within 30 days from the date of the resolution of the Company on the reduction of registered capital. A creditor has the right, within 30 days from the receipt of such notice; or, for creditors who do not receive the notice, within 45 days of the date of the public notice, to demand the Company to pay its debts or to provide a guarantee for such debt(s).

The reduced registered capital of the Company shall not fall below the statutory minimum amount.

Article 181 Where the Company undergoes a merger or division, changes in the particulars of the Company shall be registered with the companies registration authorities in accordance with the laws. Where the Company is dissolved, cancellation of its registration shall be conducted in accordance with the laws. Where a new company is established, it shall be registered in accordance with the laws.

Any increase or decrease in the registered capital of the Company shall be registered with the company registration authorities in accordance with the laws.

SECTION 2 DISSOLUTION AND LIQUIDATION

Article 182 The Company may be dissolved in any of the following circumstances:

- (I) expiry of the valid term of the business or the occurrence of other events of dissolution as stated in these articles of association;
- (II) a resolution for dissolution is passed by a shareholders' general meeting;
- (III) dissolution is necessary due to a merger or division of the Company;
- (IV) the Company is revoked of business license, ordered to close or canceled according to law;
- (V) serious difficulties arise in the operation and management of the Company and its continued existence would cause material loss to the interests of the shareholders and such difficulties cannot be resolved through other means, in which case shareholders holding at least 10% of all shareholders' voting rights may petition a people's court to dissolve the Company.

Article 183 Upon the occurrence of the situation mentioned in sub-paragraph (I) of Article 182, the Company may continue to exist by amending these articles of association.

Amendments to these articles of association in accordance with the preceding paragraph shall be approved by not less than two-thirds of the voting rights held by the shareholders present at the shareholders' general meetings.

Article 184 In the case of dissolution of the Company under sub-paragraph (I), (II), (IV) and (V) of Article 182, a liquidation committee shall be formed within 15 days after the occurrence of the event of dissolution to deal with matters of the liquidation. The members of the liquidation committee shall be directors or other persons appointed by a shareholders' general meeting. If a liquidation committee is not established in time, the creditors may apply to the people's court to establish a liquidation committee by their appointment to proceed with the liquidation.

Article 185 The liquidation committee shall perform the following responsibilities during liquidation:

- (I) to dispose of the property of the Company, and to prepare a balance sheet and a list of properties;
- (II) to inform creditors by notice and public announcement;
- (III) to dispose of unfinished business of the Company relating to the liquidation;
- (IV) to pay all taxes due and payable during the liquidation process;
- (V) to settle claims and debts;
- (VI) to dispose of the residual properties of the Company after the full settlement of debts;
- (VII) to represent the Company in civil actions.

Article 186 The liquidation committee shall notify the creditors within ten days after its establishment, and publish announcements in the newspaper(s) within 60 days. Creditors shall, within 30 days from the date of receiving the notice; or for creditors who do not receive the notice, within 45 days from the date of the public announcement, inform the liquidation committee of their creditors' rights.

The creditor shall provide a description and supporting evidence of the matters relating to their rights. The liquidation committee shall register the creditors' rights.

The liquidation committee shall not make any debt settlement during the period for registration of creditors.

The Company shall continue to exist during the liquidation period, although it cannot engage in business activities that are not related to the liquidation.

Article 187 After the liquidation committee has thoroughly examined the assets of the Company and prepared the balance sheets and a list of assets, it shall formulate a liquidation plan for submission to the shareholders' general meeting or the people's court for confirmation.

Upon payment of liquidation expenses, employee remuneration, social insurance premiums, statutory compensation, tax obligations and company debt, the residual assets shall be distributed among shareholders in proportion to their respective holdings.

The Company shall continue to exist during the liquidation period, although it cannot engage in business activities that are not related to the liquidation.

The distribution of assets to shareholders prior to the satisfaction of the aforementioned obligations shall not be permitted.

Article 188 If the liquidation committee, after thoroughly examining the assets of the Company and preparing the balance sheets and a list of assets, discovers that the assets of the Company are insufficient to pay its debts in full, it shall apply to the people's court for a declaration of bankruptcy in accordance with the laws.

After the people's court has ruled for the Company to declare bankruptcy, the liquidation of the Company shall be dealt with by the people's court.

Article 189 After the liquidation of the Company is completed, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' general meeting or the people's court for confirmation. The liquidation committee shall then deliver the liquidation report to the companies registry, apply for the deregistration of the Company and announce the termination of the Company.

Article 190 Members of the liquidation committee are required to perform their duties in good faith and in compliance with the applicable laws.

Members of the liquidation committee shall not abuse their authority to accept bribes or other unlawful income and shall not misappropriate the properties of the Company.

Members of the liquidation committee are liable to indemnify any loss arising from their willful or material default.

Article 191 Liquidation of a company declared bankrupt in accordance with the laws shall be processed in accordance with the laws of corporate bankruptcy.

CHAPTER 11 AMENDMENTS OF THESE ARTICLES OF ASSOCIATION

Article 192 Amendments shall be made to these articles of association by the Company in any of the following circumstances:

- (I) after an amendment of the Company Law or the laws and regulations, and there is any conflict between the provisions of these articles of association and those of the amended Company Law and laws and regulations;
- (II) there are changes in the particulars of the Company which are different from that set out in these articles of association;
- (III) a resolution of a shareholders' general meeting is passed to amend these articles of association.

Article 193 Amendments of the matters of these Articles of Association adopted by a resolution of the shareholders' general meeting which are subject to approvals from relevant competent authority shall be submitted to the original competent authority for approval; if there is any change relating to the registered particulars of the Company, application shall be made for change in registration in accordance with the law.

Article 194 The board of directors shall amend these articles of association in accordance with the resolution approved at the shareholders' general meeting and the opinions from the competent authorities.

Article 195 If amendments to these Articles of Association need to be disclosed pursuant to laws and regulations, they shall be disclosed accordingly.

CHAPTER 12 SUPPLEMENTARY PROVISIONS

Article 196 Definitions

- (I) "Controlling shareholder" refers to a shareholder whose ownership of ordinary shares (including preferred shares with restored voting rights) exceeds fifty percent of the total share capital of the company. Alternatively, it refers to a shareholder whose ownership, though less than fifty percent, possesses voting rights that are deemed sufficient to exert significant influence over resolutions at the shareholders' general meeting.
- (II) "De facto controller(s)" refers to any party who is not a shareholder of the Company but may have a de facto control on any acts of the Company through investment, agreements or any other arrangements.
- (III) "Connected relationship" refers to the relationship between the controlling shareholders, de facto controllers, directors, supervisors, senior management of the Company and any enterprise(s) directly or indirectly controlled by the Company, and other relationships that may lead to a transfer of interests of the Company. State-controlled enterprises, however, shall not be connected by the virtue of being controlled by the state.
- (IV) "Subsidiary(ies) of the Company" refers to a company in which the Company holds more than 50% of its shares or may determine the election of majority of the member of its board of directors or may have de facto control through agreements or other arrangements.
- (V) "RMB" refers to Renminbi, the lawful currency of the People's Republic of China, unless the context otherwise specifies.

Article 197 The term "accounting firm" referred herein shall have the same meaning as the term "auditor". Unless explicitly specified by applicable laws, administrative regulations, or relevant regulatory rules of the stock exchange where the company's shares are listed, the term "independent non-executive director" as used in these articles shall be deemed synonymous with "independent director".

Article 198 Any matter not contained in these articles of association shall be agreed upon by the shareholders of the Company by written agreements. If there is any conflict between these articles of association and such written agreements entered into by and between the shareholders, the written agreements shall prevail.

Article 199 These articles of association are written in Chinese. In the event of discrepancies between the Chinese and any other foreign language versions or different versions of these articles of association, the most recent Chinese version hereof registered with company registration authorities shall prevail.

Article 200 The expressions of “or more”, “within”, “below” shall include the figures mentioned whilst the expressions of “exceed”, “short of”, “without”, “less than” and “more than” shall not include the figures mentioned.

Article 201 The interpretation of these articles of association shall be vested to the board of directors of the Company.

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