



中國能源建設股份有限公司

**CHINA ENERGY ENGINEERING CORPORATION LIMITED\***

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 3996)**

**ARTICLES OF ASSOCIATION  
OF  
CHINA ENERGY ENGINEERING CORPORATION LIMITED\***

**June 2024**

**Chapter 1 General Provisions**

**Article 1** *The Articles of Association of China Energy Engineering Corporation Limited (hereinafter referred to as the “Articles”) are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Guidelines on Articles of Association of Listed Companies (hereinafter referred to as the “Guidelines on Articles of Association”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), the Constitution of the Communist Party of China and relevant provisions of other laws, regulations and regulatory documents, for the purpose of protecting the legitimate rights and interests of China Energy Engineering Corporation Limited (hereinafter referred to as the “Company”), its shareholders and creditors, and regulating the organization and activities of the Company.*

**Article 2** *The Company is a joint stock limited company established in accordance with the requirements of the Company Law and other relevant laws and regulations.*

The Company was established by way of promotion with the approval document (Guo Zi Gai Ge [2014] No. 1150) issued by State-owned Assets Supervision and Administration Commission under the State Council. The Company was registered with the State Administration for Industry and Commerce and was granted the corporate legal person’s business license on 19 December 2014.

The promoters of the Company are China Energy Engineering Group Co., Ltd. (中國能源建設集團有限公司) and Electric Power Planning & Engineering Institute Co., Ltd. (電力規劃總院有限公司).

**Article 3** Registered names of the Company:

Registered Chinese name of the Company: 中國能源建設股份有限公司

Registered English name of the Company: China Energy Engineering Corporation Limited

**Article 4** Registered office of the Company:

Room 01-2706, 1-24/F, Building 1, No. 26A West Dawang Road, Chaoyang District, Beijing.

Postal code: 100022

Telephone: +86 (10) 59099999

Fax: +86 (10) 59098888

**Article 5** The legal representative of the Company shall be the chairman of the board of directors.

**Article 6** The Company is a joint stock limited company in perpetual existence.

The Company is an independent corporate legal person with independent legal person properties and entitlements to legal person properties. The Company is entitled to civil rights and is subject to civil responsibility pursuant to the laws.

The assets of the Company shall be divided into shares and each share shall have equal value. The respective liability of the shareholders shall be limited to the shares held by them. The Company shall be held liable for its debts with all its assets.

**Article 7** These Articles shall be passed at the general meeting of the Company by special resolution.

**Article 8** From the effective date of these Articles onwards, these Articles shall constitute a legally binding document to regulate the organization and activities of the Company, the rights and obligations between the Company and shareholders and among the shareholders, and shall be legally binding on the Company, shareholders, directors, supervisors and senior management. According to these Articles, a shareholder may take legal action against other shareholders, directors, supervisors, senior management of the Company, or the Company itself; the Company may take legal action against shareholders, directors, supervisors, senior management.

The actions referred to in the preceding paragraph include court proceedings and arbitration proceedings.

**Article 9** The Company may invest in other enterprises and its liabilities therefor shall be limited to the amount of the capital invested. However, the Company shall not be a capital contributor who is jointly and severally liable for the debt of any enterprise in which the Company invests in, unless otherwise provided by laws and administrative regulations. The Company shall not become a shareholder with unlimited liability of any other economic organizations.

**Article 10** The Company shall establish an organization of the Communist Party of China in accordance with the Constitution of the Communist Party of China. The Party organization shall play a leadership role, providing direction, managing the overall situation and procuring implementation, integrating the Party's leadership into all aspects of corporate governance, and discuss and decide significant matters of the Company in accordance with provisions. The Company shall also establish the working organ of the Party, which shall be equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.

## **Chapter 2 Objectives and Scope of Business**

**Article 11** The business objectives of the Company are: shouldering the mission of “undertaking global energy projects as a Chinese partner” and adhering to the vision of “becoming an industry leader and ranking top in the world”, we will strive to establish a modern enterprise that is advanced in the organizational structure, flexible in mechanism, standard in operations and scientific in management, cultivate a first-class enterprise that is strong in overall strength, outstanding in competitiveness, profound in brand influence and rich in cultural connotations, and create a harmonious enterprise that enjoys recognition from the government, satisfaction from clients, preferences from investors and happiness from employees, and to have “Four positions” and “Six first-class”, so as to achieve our development goal of “becoming a world-class company with global competitiveness”, make due contributions to the scientific development of the energy industry and infrastructure in China and around the globe, and to empower a beautiful China and build a better world.

**Article 12** The scope of business of the Company shall be subject to the approval by the company registration authority. The scope of business of the Company covers the following: investment, consulting, planning, evaluation, assessment, bidding agency and construction in respect of hydro, thermal, nuclear, wind and solar power generation, new energies, power transmission and transformation, and water conservancy, water affairs, mines, highways, railways, ports and waterway, airports, housing, civic works, urban railway transportation, environmental protection, smelting and petrochemical infrastructural projects; engineering survey and design, general construction contracting and specialized construction contracting; general contracting; engineering project management, engineering supervision, commissioning and maintenance of power plants, technical consulting, technical development, technical services, import and export business, planning and researching in respect of power industry development, manufacturing, selling and leasing of mechanical and electronic equipment, development of proprietary power technologies and product sales; production and sales of building materials; as well as industrial investment.

### **Chapter 3 Shares, Share Transfer and Registered Capital**

**Article 13** The shares of the Company shall be represented by share certificates. All shares of the Company shall have a par value at RMB1 each.

For the purpose of the above paragraph, “RMB” means the legal currency of the People’s Republic of China.

**Article 14** The Company shall have ordinary shares at all times. It may create other classes of shares subject to approval by the approval authorities under the State Council.

**Article 15** Shares of the Company are issued on an open, fair and impartial basis and shares of same class shall have equal rights.

The terms and price for an issuance of shares in the same class shall be the same. Shares shall be subscribed for by any entities or individuals at the same price.

**Article 16** Subject to the approval of the securities regulatory authority of the State Council, the Company may issue shares to domestic and foreign investors.

For the purpose of the preceding paragraph, “foreign investors” shall refer to investors from foreign countries and in the regions of Hong Kong, Macau and Taiwan who subscribe for shares of the Company, and “domestic investors” shall refer to investors from the People’s Republic of China, excluding the abovementioned regions, who subscribe for shares of the Company.

**Article 17** Shares issued by the Company to domestic investors for subscription in RMB shall be referred to as domestic shares. Shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as overseas listed foreign shares.

The “foreign currency” referred to in the preceding paragraph is a legal currency (other than RMB) of other countries or regions which is recognized by the foreign exchange administration authority of China and can be used for payment of the Company’s shares.

Overseas listed foreign shares issued by the Company and listed in Hong Kong shall be referred to as H shares. H shares refer to the shares approved to be listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”), the par value of which is denominated in RMB, and are subscribed for and traded in Hong Kong dollars.

**Article 18** Upon approval of the company approving department authorized by the State Council, the Company issued 21,600,000,000 ordinary shares to the promoters upon the establishment of the Company, representing 100% of the total ordinary shares issued by the Company.

**Article 19** After the establishment and upon the approval of the securities regulatory authority of the State Council, the Company will issue 8,420,396,364 new overseas listed foreign shares (H shares). The state-owned shareholders will transfer state-owned shares to the National Council for Social Security Fund for holding in accordance with relevant requirements for reduction in holding, and the 842,039,636 shares will be converted into H shares upon approval and entrusted for sale. The Company has a total of 9,262,436,000 H shares.

Upon completion of the issue of overseas listed foreign shares, the share capital structure of the Company shall comprise 30,020,396,364 ordinary shares, 20,757,960,364 shares of which are held by domestic shareholders and 9,262,436,000 shares held by H shareholders.

Upon the approval by the securities regulatory authorities under the State Council with the Approval for Absorption and Merger of China Gezhouba Group Stock Company Limited\* (中國葛洲壩集團股份有限公司) through Issuance of Shares by China Energy Engineering Corporation Limited (Zheng Jian Xu Ke [2021] No. 2757), the Company publicly issued 11,670,767, 272 A Shares. Upon the issuance of A Shares, the share capital structure of the Company is as follows: the total share capital of the Company is 41,691,163,636 Shares, including 32,428,727,636 A Shares and 9,262,436,000 H Shares, accounting for 77.78% and 22.22% of the Company's total share capital, respectively.

**Article 20** Upon approval by the securities regulatory authority of the State Council of the proposal for issue of overseas listed foreign shares and domestic shares, the board of directors of the Company may issue overseas listed foreign shares and domestic shares separately.

The Company may issue overseas listed foreign shares and domestic shares separately in accordance with the preceding paragraph within 15 months from the date of approval by the securities regulatory authority of the State Council.

**Article 21** The Company may issue overseas listed foreign shares and domestic shares subject to the maximum number of shares as determined in the issuance proposal. Shares shall be subscribed for in full in one issue. If shares cannot be fully subscribed for in one issue under special circumstances, the shares may be issued in separate issues subject to approval of the securities regulatory authority of the State Council.

**Article 22** The domestic shares issued by the Company shall be collectively deposited with China Securities Depository and Clearing Corporation Limited. The overseas listed foreign shares issued by the Company shall be deposited according to Article 42 of the Articles.

**Article 23** The registered share capital of the Company is RMB41,691,163,636.

**Article 24** The Company may, based on its requirements for operation and development, approve an increase of capital in accordance with these Articles. The Company may increase its capital in the following manners:

(1) by issuing new shares to non-specified investors;

- (2) by placing new shares to specified investors and/or its existing shareholders;
- (3) by bonus issue of new shares to existing shareholders;
- (4) by converting capital reserves into share capital;
- (5) other ways as permitted by laws and regulations and approval by the competent authorities of the State Council.

The increase of capital of the Company by issuing new shares shall, after being approved in accordance with these Articles, be conducted in accordance with the procedures stipulated by the relevant laws and regulations of the State.

After the increase of capital, the Company shall apply to the original industry and commerce administrative authority for registration of the change in registered capital and make an announcement.

**Article 25** Unless otherwise provided by laws and administrative regulations, or required by the securities regulatory authorities of the places where the shares of the Company are listed and the stock exchanges, shares of the Company are freely transferable and are not subject to any lien.

**Article 26** The Company shall not accept its own shares as the subject matter of a pledge.

**Article 27** The shares of the Company held by promoters shall not be transferred within one year from the date of establishment of the Company. Shares in issue prior to the public offering of the Company shall not be transferred within one year from the date of listing of the shares on any stock exchange.

Directors, supervisors and senior management shall report to the Company their shareholdings in the Company and changes in their shareholdings. The shares they transfer in a particular year during their term of office shall not exceed 25% of the total shares they hold and the shares they hold in the Company shall not be transferred within six months after their departure. The transfer restriction on H shares shall also be subject to the relevant requirements of the Listing Rules of Hong Kong.

**Article 28** If the directors, supervisors, senior management and shareholder holding 5% or more of the total shares of the Company sell his shares in the Company or other securities with an equity nature within six months of the purchase, or purchase the shares again within six months of the sale, the profit thus made shall be attributable to the Company and the board of directors shall collect all such profits. The transfer restriction on H shares shall also be subject to the relevant requirements of the Listing Rules of Hong Kong. If a securities company purchases unsold shares as an underwriter and becomes a holder of more than 5% of the shares, or under other circumstances as required by the local securities regulatory authorities where shares of the Company are listed, it shall not be subject to the six months' selling restriction.

The shares or other securities with an equity nature held by directors, supervisors, senior management and individual shareholders referred to in the preceding provisions include the shares or other securities with an equity nature held by their spouses, parents and children, and those held by using others' accounts.

If the board of directors fails to comply with the provisions of the preceding paragraph, the shareholders are entitled to demand the board of directors to do so within thirty days. The shareholders are entitled to file litigation at court in their own names for the interests of the Company if the board of directors fails to comply with the provisions within the said period.

If the board of directors fails to comply with paragraph (1) of this Article, the directors at fault shall assume joint and several liabilities in accordance with the laws.

#### **Chapter 4 Reduction of Capital and Repurchase of Shares**

**Article 29** Pursuant to the requirements of these Articles, the Company may reduce its registered capital in accordance with the *Company Law* and procedures provided by other relevant regulations and these Articles.

**Article 30** The Company shall prepare a balance sheet and an inventory of property when it reduces its registered capital.

The Company shall notify its creditors within ten days from the date of the Company's resolution on reduction of registered capital and shall publish an announcement in the newspaper recognised by the stock exchange on which the shares of the Company are listed within thirty days from the date of such resolution. A creditor has the right, within thirty days of receiving the notice from the Company or, in the case of a creditor who does not receive the notice, within forty five days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.

The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.

**Article 31** The Company may, subject to the procedures set out in these Articles, repurchase its issued shares under the following circumstances:

- (1) cancelling the shares for the purposes of reducing registered capital of the Company;
- (2) merging with any other companies holding the shares in the Company;
- (3) using the shares for employee stock ownership plan or as equity incentive;
- (4) being requested to repurchase the shares of the Company held by the shareholders who object to the resolutions adopted at general meeting concerning merger or division of the Company;

- (5) using the shares for conversion of corporate bonds which are convertible into shares issued by the Company;
- (6) where it is necessary to safeguard the value of the Company and the interests of its shareholders;
- (7) other circumstances permitted by the laws and regulations.

Save as aforementioned, the Company shall not purchase the shares of the Company.

When the Company purchases its own shares under the circumstances in (1) and (2) of the Article, it shall be resolved by the general meeting; when the Company purchases its own shares under the circumstances in (3), (5) and (6) of the Article, it shall be, with the authorisation of the general meeting, resolved by the Board meeting where over two-thirds of the directors are present.

The repurchase of overseas listed foreign shares of the Company shall comply with the Hong Kong Listing Rules and other relevant regulatory regulations of the place of listing.

**Article 32** The Company may purchase its own shares through public and centralized trading, or other methods in accordance with laws and regulations or approved by the China Securities Regulatory Commission.

When the Company purchases its own shares under the circumstances in (3), (5) and (6) of Article 31 of these Articles, it shall be carried out through public and centralized trading.

**Article 33** Where the Company repurchases its shares by an off-market agreement, the prior approval of the general meeting shall be obtained in accordance with these Articles. The Company may terminate or amend the contracts entered into in the aforementioned ways or waive its rights under a contract entered into in the aforementioned ways.

A contract to repurchase shares referred to in the preceding paragraph includes (without limitation) an agreement to become obliged to repurchase and an acquisition of the right to repurchase shares of the Company.

The Company shall not assign a contract to repurchase its shares or the rights under a contract to repurchase its shares.

For the redeemable shares which can be purchased by the Company, other than such purchases made through the market or by tender, the purchase price shall be limited to a certain single maximum price. If such purchases are made by tender, tenders shall be available to all shareholders alike.

**Article 34** Upon repurchase of shares in accordance with Article 31 of these Articles, such portion of shares shall be cancelled or transferred within the prescribed period according to the laws, regulations and securities regulatory rules where the shares of the Company are listed, and the



Company shall file an application for the registration of a change of its registered capital with the competent company registration authority and make relevant announcement. The aggregate par value of the shares being cancelled shall be deducted from the Company's registered capital.

The shares repurchased in accordance with clause (3), (5) and (6) of Article 31 shall not exceed 10% of the total issued shares of the Company. The repurchase of overseas listed foreign shares of the Company shall comply with the Hong Kong Listing Rules and other securities regulatory rules where the shares of the Company are listed.

**Article 35** Unless the Company is in the course of liquidation, it shall comply with the following provisions when repurchasing its issued shares:

- (1) Where the Company repurchases its own shares at par value, payment shall be deducted from the book balance of distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares;
- (2) Where the Company repurchases shares of the Company at a price higher than the par value, the portion equivalent to the par value shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares, and the premium shall be handled as follows:
  - (i) if the shares repurchased are issued at par value, the payment shall be deducted from the book balance of the distributable profits of the Company;
  - (ii) if the shares repurchased were issued at a price higher than the par value, payment shall be deducted from the book balance of the distributable profits of the Company and the proceeds from the new share issue for the purpose of repurchasing the existing shares, provided that the amount deducted from the proceeds from the new share issue shall neither exceed the aggregate premium from the issue of the existing shares repurchased nor shall it exceed the amount (including the premiums from the new share issue) in the premium account or the capital reserve account at the repurchase;
- (3) Payments for the following purposes shall be made out of the Company's distributable profits:
  - (i) acquisition of the right to repurchase shares of the Company;
  - (ii) modification of any contract to repurchase shares of the Company;
  - (iii) release of any of the Company's obligation under any contract for the repurchase of its shares.

- (4) After the total par value of the cancelled shares is deducted from the Company's registered capital in accordance with the relevant regulations, the amount deducted from the distributable profits for the repurchase of the shares at par value shall be included in the Company's premium account or capital reserve account.

## **Chapter 5 Financial Assistance for the Acquisition of Shares in the Company**

**Article 36** The Company or its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Company. The said acquirer of shares of the Company includes a person who directly or indirectly incurs any obligations due to the acquisition of shares of the Company.

The Company or its subsidiaries shall not, by any other means at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by such person.

This provision does not apply to the circumstances stated in Article 38 of these Articles.

**Article 37** The financial assistance referred to in this Chapter includes, but not limited to, the following means:

- (1) gift;
- (2) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than compensation in respect of the Company's own default) or release or waiver of any rights;
- (3) provision of loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the assignment of rights arising under, such loan or agreement;
- (4) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

The expression "Incurring an obligation" referred to in this Chapter includes the incurring of obligations by the changing of the obligor's financial position by way of contract or the making of an arrangement (whether enforceable or not, and whether made on its own account or with any other persons), or by any other means.

**Article 38** The following activities shall not be deemed to be activities as prohibited in Article 36:

- (1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;
- (2) the lawful distribution of the Company's assets by way of dividend;
- (3) the allotment of bonus shares as dividends;
- (4) a reduction in registered capital, a repurchase of shares or a reorganization of the share capital structure of the Company effected in accordance with these Articles;
- (5) the provision of loans by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company);
- (6) the provision of money by the Company for contributions to employee share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).

## **Chapter 6 Share Certificates and Register of Shareholders**

**Article 39** The shares of the Company shall be in registered form.

In addition to the information required by the *Company Law*, the share certificates of the Company shall also contain other information required by the stock exchange(s) on which its shares are listed.

During the period when the H shares of the Company are listed on the Hong Kong Stock Exchange, the Company shall ensure that all of the title documents relating to the securities listed on the Hong Kong Stock Exchange (including the H share certificates) contain the following statements:

- (1) the purchaser of the shares agrees with the Company and each shareholder, and the Company agrees with each shareholder, to observe and comply with the *Company Law*, the Special Provisions and other relevant laws, regulations and these Articles;
- (2) the purchaser of the shares agrees with the Company, each of the shareholders, directors, supervisors, senior management of the Company, and the Company (for itself and on behalf of each of the directors, supervisors, senior management) agrees with each shareholder, to refer all disputes and claims arising from these Articles or any rights and obligations conferred or imposed by the Company Law and other relevant laws and regulations of China applicable to

the Company relating to the affairs of the Company to arbitration in accordance with these Articles. Any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such award shall be final and conclusive;

- (3) the purchaser of the shares agrees with the Company and each of the shareholders that the shares of the Company are freely transferable by the holder thereof;
- (4) the purchaser of the shares authorizes the Company to enter into a contract on his behalf with each of the directors, senior management whereby such directors, senior management undertake to observe and comply with their obligations to the shareholders as stipulated in these Articles.

The Company also shall instruct and procure the share registrars to make sure that, for any subscription, purchase or transfer of share in the name of any individual holder, the individual holder shall submit such properly executed forms to the share registrars which shall include the above statements.

**Article 40** The share certificates shall be signed by the Chairman. Where the stock exchange of the place where the shares of the Company are listed requires the share certificates to be signed by other senior management of the Company, the share certificates shall also be signed by such senior management. The share certificates shall take effect after being affixed, or affixed by way of printing, with the seal of the Company. The share certificates shall only be affixed with the Company's seal under the authorization of the board of directors. The signatures of the chairman of the board of directors or other relevant senior management of the Company on the share certificates may also be in printed form.

**Article 41** The Company shall keep a register of shareholders according to the evidence provided by the share registrars, which shall contain the following particulars:

- (1) the name, address (domicile), occupation or nature of each shareholder;
- (2) the class and number of shares held by each shareholder;
- (3) the amount paid-up or payable in respect of shares held by each shareholder;
- (4) the serial numbers of the shares held by each shareholder;
- (5) the date on which a person registers as a shareholder;
- (6) the date on which a person ceases to be a shareholder.

The register of shareholders shall be the sufficient evidence for the shareholders' shareholding in the Company, except in cases with contrary evidence.

All movements or transfer of overseas listed foreign shares shall be recorded in the register of holders of overseas listed foreign shares of the Company which is required to be kept in the place where such shares are listed pursuant to these Articles.

If two or more persons are registered as the joint shareholders of any shares, they shall be deemed to be joint holders of such shares and be subject to the following restrictions:

- (1) the Company is not obliged to register more than four persons as the joint shareholders of any shares;
- (2) all the joint shareholders of any shares shall jointly and severally assume the liability to pay all amounts payable for the relevant shares;
- (3) if one of the joint shareholders has deceased, only the surviving joint shareholders shall be deemed by the Company to be the persons owning the relevant shares. Nevertheless, the board of directors shall, for the purpose of revising the register of shareholders, have the right to demand evidence of death of such shareholder where it deems appropriate;
- (4) as to the joint shareholders of any shares, only the joint shareholder whose name appears first in the register of shareholders is entitled to receive the share certificate for the relevant shares and the notices of the Company, and to attend and exercise all voting rights attached to the relevant shares in the general meetings of the Company. Any notice served on the aforesaid person shall be deemed to have been served on all joint shareholders of the relevant shares.

**Article 42** The Company may, in accordance with the mutual understanding and agreements made between the securities regulatory authority of the State Council and overseas securities regulatory authorities, maintain its register of holders of overseas listed foreign shares outside the PRC and appoint overseas agent(s) to manage such register. The original copy of register of holders of H shares shall be maintained in Hong Kong.

The Company shall maintain a duplicate copy of the register of holders of overseas listed foreign shares at the Company's domicile. The appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas listed foreign shares at all times.

If there is any inconsistency between the original and the duplicate copy of the register of holders of overseas listed foreign shares, the original version shall prevail.

**Article 43** The Company shall maintain a complete register of shareholders. The register of shareholders shall include the followings:

- (1) the register of shareholders maintained at the Company's domicile, other than those parts as described in clauses (2) and (3) of this article;

- (2) the register of shareholders in respect of the holders of overseas listed foreign shares of the Company maintained at the place of the overseas stock exchange where the shares are listed is located;
- (3) the register of shareholders maintained at such other place as the board of directors may consider necessary for the purpose of listing of the Company's shares.

**Article 44** Different parts of the register of shareholders shall not overlap with one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of shareholders.

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

**Article 45** All fully paid-up H shares can be freely transferred according to these Articles. However, the board of directors may refuse to recognise any instrument of transfer without giving any reasons, unless the following conditions are fulfilled:

- (1) a fee (for each instrument of transfer) of HK\$2.50 or such maximum fee as determined by the board of directors, but in any event no more than the maximum fee as stipulated from time to time by the Listing Rules of the Hong Kong has been paid to the Company for registration of any instrument of transfer or any other document which is related to or will affect ownership of the shares;
- (2) the instrument of transfer only involves H shares;
- (3) the stamp duty payable on the instrument of transfer has been paid in full;
- (4) the relevant share certificates and any evidences in relation to the right of the transferor to transfer such shares as reasonably requested by the board of directors have been provided;
- (5) if the shares are to be transferred to joint holders, the maximum number of registered joint holders shall not exceed four;
- (6) the Company does not have any lien on the relevant shares;
- (7) no transfer of share shall be made to minors or persons of unsound mind or under other legal disability.

In case the Company refuses to register the share transfer, the Company shall issue a notice on the refusal to register the share transfer to the transferor and the transferee within two months after the application for transfer is formally submitted.

**Article 46** All transfers of H shares shall be effected with a written instrument of transfer in general or ordinary format or such other format as acceptable to the board of directors (including the standard format of transfer or form of transfer as prescribed by the Hong Kong Stock Exchange from time to time), and such instrument of transfer may only be signed by hand or (in case the transferor or the transferee is a company) affixed with the company's seal. If the transferor or transferee is a recognized clearing house as defined by relevant laws of Hong Kong in force from time to time (hereinafter referred to as the "Recognized Clearing House") or its agent, the instrument of transfer may be signed by hand or in mechanically-printed form.

All instruments of transfer shall be kept at the legal address of the Company or other addresses designated by the board of directors from time to time.

**Article 47** Where the laws, regulations and the securities regulatory authorities of places where the shares of the Company are listed contain provisions which stipulate on the period of closure of the register of shareholders prior to a general meeting or the reference date set by the Company for the purpose of distribution of dividends, such provisions shall prevail.

**Article 48** When the Company intends to convene a general meeting, distribute dividends, liquidate and engage in other activities that involve determination of shareholdings, the board of directors shall appoint a record date for the registration of shareholdings, and shareholders whose names appear on the register of shareholders at the close of business of the record date shall be shareholders of the Company.

**Article 49** Any person who objects to the register of shareholders and requests to have his name entered in or removed from the register of shareholders may apply to a court of competent jurisdiction for rectification of the register.

**Article 50** Any shareholder who is registered in, or any person who requests to have his name entered in, the register of shareholders may, if his share certificate (that is his original certificate) is lost, apply to the Company for a replacement share certificate in respect of such shares (relevant shares).

If a holder of the domestic shares has his share certificate lost and applies for a replacement, it shall be dealt with in accordance with the provisions of the *Company Law*.

If a holder of overseas listed foreign shares has his share certificate lost and applies for a replacement, it may be dealt with in accordance with the relevant laws, the rules of the stock exchange and other relevant regulations of the place where the original register of holders of overseas listed foreign shares is maintained.

Where an H shareholder has his share certificate lost, the issue of the replacement certificate to the holder of such shares shall comply with the following requirements:

- (1) the applicant shall submit an application to the Company in prescribed form accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares;
- (2) no statement has been received by the Company from a person other than the applicant for having his name registered as a holder of the relevant shares before the Company came to a decision to issue the replacement certificate;
- (3) the Company shall, if it decides to issue a replacement certificate to the applicant, make an announcement of its intention to issue the replacement certificate in such newspapers designated by the board of directors; the announcement shall be made at least once every thirty days in a period of ninety days;
- (4) prior to the publication of its announcement of intention to issue a replacement certificate, the Company shall deliver to the stock exchange where the Company is listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of such stock exchange. The announcement shall be exhibited at the premises of such stock exchange for a period of ninety days. In case an application to issue a replacement certificate has been made without the consent of the registered holder of the relevant shares, the Company shall send to such registered shareholder the announcement to be published;
- (5) If, upon expiration of the 90-day period referred to in items (3) and (4) of this article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his application;
- (6) Where the Company issues a replacement certificate under this article, it shall forthwith cancel the original certificate and enter the cancellation and issue in the register of shareholders accordingly;
- (7) All expenses relating to the cancellation of an original certificate and the issue of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.

**Article 51** Where the Company issues a replacement certificate pursuant to these Articles, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he is a bona fide purchaser) shall not be removed from the register of shareholders.



**Article 52** The Company shall not be liable for any damages sustained by any person for reason of the cancellation of the original certificate or the issuance of the replacement certificate, unless the claimant proves that the Company had acted fraudulently.

The Company shall not exercise any power against any person who fails to disclose any of his direct or indirect interest in the Company for the purpose of freezing or otherwise damaging the interest of such person as attached to shares.

## **Chapter 7 Rights and Obligations of Shareholders**

**Article 53** A shareholder of the Company shall be a person who holds shares of the Company and whose name is registered in the register of shareholders of the Company.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations. The holders of domestic shares and H shares are shareholders of different classes. Shareholders of each class are entitled to the same rights in respect of dividend or any other distributions.

Where a shareholder of the Company is a legal person, its right shall be exercised by its legal representative or proxy on his behalf.

The Company shall not exercise any power against any person who fails to disclose any of his direct or indirect interest in the Company for the purpose of freezing or otherwise damaging the interest of such person as attached to shares.

**Article 54** The ordinary shareholders of the Company shall enjoy the following rights:

- (1) to obtain dividends and other distributions in proportion to the shareholdings;
- (2) to request, convene, preside, attend or appoint a proxy to attend general meetings and to vote thereat in accordance with laws;
- (3) to carry out supervisory management over business operations of the Company, and to present proposals or to raise enquires;
- (4) to transfer, grant or pledge shares held by him/her in accordance with laws, regulations and provisions of these Articles;
- (5) to obtain relevant information in accordance with the provisions of these Articles, including:
  1. to obtain a copy of these Articles, subject to payment of the cost of such copy;

2. to inspect for free or copy, subject to payment of a reasonable charge:
  - (i) all parts of the register of shareholders;
  - (ii) personal particulars of each of our directors, supervisors, senior management members, including:
    - (a) present name and alias and any former name and alias;
    - (b) principal residential address (domicile);
    - (c) nationality;
    - (d) primary and all other part-time occupations and positions;
    - (e) identification document and its number.
  - (iii) reports on the state of the issued share capital of the Company;
  - (iv) latest audited financial statements of the Company and reports of the board of directors, auditors and board of supervisors;
  - (v) resolutions of general meetings, board meetings or meetings of the board of supervisors of the Company;
  - (vi) reports showing the aggregate par value, quantity, maximum and minimum prices paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate costs incurred by the Company for this purpose;
  - (vii) copy of the latest annual report filed with the State Administration for Industry & Commerce of the People's Republic of China or other authorities;
  - (viii) minutes of general meetings;
  - (ix) receipts of corporate bonds and financial accounting report.

The Company shall lodge documents (i) to (vii) except (ii) aforementioned with the Company's Hong Kong address under the requirements of the Hong Kong Listing Rules, for the purpose of inspection by the public and holders of overseas-listed foreign Shares free of charge. Item (viii) shall be available to shareholders only.

Shareholders demanding inspection of the relevant information or obtaining of the materials mentioned above shall provide the Company with written documents indicating the class and number of shares they hold in the Company. After confirmation of the shareholder's identity, the Company shall provide such information based on the request of the shareholder.

- (6) to participate in the distribution of the residual assets of the Company in proportion to the number of shares held in the event of termination or liquidation of the Company;
- (7) to request the Company to repurchase its shares held by the dissident shareholders when they cast votes against the proposal for merger or division at the general meeting of the Company;
- (8) other rights conferred by laws, regulations and these Articles.

**Article 55** In the event that any resolution of the general meeting or the board of directors violates any of the laws and regulations, the shareholders have the right to request the court to hold the relevant resolution as invalid.

In the event that convening procedures or voting methods of the general meeting or meetings of the board of directors violate any of the laws, regulations or these Articles, or if the contents of the resolution violate these Articles, the shareholders may request the court to cancel the resolution within sixty days from the date on which the resolution is adopted.

**Article 56** Where the Company incurs losses as a result of directors' and senior management members' violation of the laws, regulations or these Articles in the course of performing their duties with the Company, shareholders individually or jointly holding 1% or more of the Company's shares for not less than 180 consecutive days shall be entitled to request in writing the board of supervisors to initiate proceedings in the court. Where the Company incurs losses as a result of the board of supervisors' violation of any provision of laws, regulations or these Articles in the course of performing its duties with the Company, the shareholders shall be entitled to make a request in writing to the board of directors to initiate proceedings in the court.

In the event that the board of supervisors or the board of directors refuses to initiate proceedings after receiving the written request of shareholders stated in the foregoing paragraph, or fails to initiate such proceedings within thirty days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the right to initiate proceedings in the court directly in their own names in the interest of the Company.

Shareholders described in the first paragraph of this Article may also initiate proceedings in the court in accordance with the preceding two paragraphs in the event that the lawful interests of the Company are infringed upon by any third parties.

**Article 57** Shareholders may initiate proceedings in the court in the event that a director or a senior management member has violated the laws, regulations or these Articles, thereby infringing the interests of shareholders.

**Article 58** The ordinary shareholders of the Company shall assume the following obligations:

- (1) to abide by the laws, administrative regulations and these Articles;
- (2) to pay subscription monies according to the number of shares subscribed and the method of subscription;
- (3) to be responsible for the Company to the extent of the shares they have subscribed for;
- (4) not to divest the shares unless required by the laws and regulations;
- (5) not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company.

Shareholders of the Company who abuse their shareholder's rights and thereby cause loss on the Company or other shareholders shall be liable for indemnity according to the laws.

Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

- (6) other obligations imposed by laws, regulations and these Articles.

**Article 59** Shareholders holding 5% or more of the Company's shares carrying voting rights and who use the shares of the Company as pledge shall give written report to the Company on the date when such pledges are made.

**Article 60** The controlling shareholder and the de facto controller of the Company shall not use their related relationship to act in detriment to the interests of the Company. If they have violated relevant provisions and caused damage to the Company, they shall be liable for such damages.

The controlling shareholder and the de facto controller of the Company shall have fiduciary duties towards the Company and its public shareholders. The controlling shareholder shall exercise its rights as a contributor in strict compliance with the laws. The controlling shareholder shall not take advantage of profit distribution, asset restructuring, foreign investment, possession of capital, lending and provision of guarantees to the detriment of the statutory interests of the Company and public shareholders and shall not make use of its controlling status against the interests of the Company and public shareholders.

**Article 61** In addition to obligations imposed by laws, regulations or required by the listing rules of the stock exchange on which the Company's shares are listed, a controlling shareholder shall not exercise his voting rights with respect to the following matters in detriment to the interests of all or some of the shareholders of the Company:

- (1) to relieve a director or supervisor of his duty to act honestly in the best interests of the Company;
- (2) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person), in any guise, of the Company's assets, including (but not limited to) opportunities beneficial to the Company;
- (3) to approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (but not limited to) rights to distributions and voting rights, save for the company restructuring submitted to the general meeting for approval in accordance with these Articles.

**Article 62** The term "controlling shareholder" means a person who satisfies any one of the following conditions:

- (1) he alone, or acting in concert with others, has the power to elect more than half of the members of the board of directors;
- (2) he alone, or acting in concert with others, has the power to exercise or to control the exercise of 30% or more of the voting rights in the Company;
- (3) he alone, or acting in concert with others, holds 30% or more of the issued and outstanding shares of the Company;
- (4) he alone, or acting in concert with others, in any other manner controls the Company in fact.

## **Chapter 8 General Meeting**

**Article 63** The general meeting is the organ of authority of a company, which exercises its functions and powers in accordance with laws.

**Article 64** The general meeting exercises the following functions and powers:

- (1) to decide on operational policies and investment plans of the Company;
- (2) to elect or remove the directors and supervisors who are not representatives of the employees, and to decide on matters relevant to remuneration of directors and supervisors;
- (3) to consider and approve reports of the board of directors;

- (4) to consider and approve reports of the board of supervisors;
- (5) to consider and approve annual financial budgets and financial accounts of the Company;
- (6) to consider and approve proposals for profit distribution and for recovery of losses of the Company;
- (7) to decide on increase and reduction of the registered capital of the Company;
- (8) to decide on bond issuances of the Company;
- (9) to decide on merger, division, dissolution and liquidation of the Company and changes in the form of the Company;
- (10) to amend these Articles;
- (11) to decide on the appointment and dismissal of accounting firms;
- (12) to consider and approve the guarantees as provided in Article 66 and financial assistances as provided in Article 67;
- (13) to consider and approve the acquisition or disposals of material assets of the Company within a year exceeding 30% of the latest audited total assets for the year;
- (14) to consider and approve the change of use of proceeds raised;
- (15) to consider and approve share incentive plans and employee share ownership plans;
- (16) to consider and approve pledge of assets, investments with a single transaction amount exceeding 50% of the latest audited net assets of the Company;
- (17) to consider and approve entrusted wealth management matters with a single transaction amount not less than RMB3 billion;
- (18) to consider and approve the proposals submitted by shareholders holding 3% or more of the voting shares of the Company;
- (19) to consider and approve the related party transaction or other transactional matters which are subject to approval at the general meeting in accordance with the listing rules of the place where the shares of the Company are listed;
- (20) to consider and approve other matters required to be resolved by the general meeting by the laws, regulations, departmental rules or these Articles.

**Article 65** The Company shall not enter into any contract with any person other than the directors and senior management whereby such person undertakes the management and administration of the whole or any substantial part of the business of the Company except that the Company is in special circumstances such as crises, unless approval by way of special resolution is obtained in general meeting.

**Article 66** The provision of guarantees for a third party by the Company in the following circumstances shall be subject to the approval of the general meeting.

- (1) any provision of guarantees where the total amount of external guarantees provided by the Company and its subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (2) any provision of guarantees where the total amount of external guarantees provided the Company exceeds 30% of the latest audited total assets of the Company;
- (3) any guarantee provided by the Company where the amount of the guarantee within one year exceeds 30% of the latest audited total assets of the Company;
- (4) provision of guarantees to anyone whose debt-to-asset ratio exceeds 70%;
- (5) provision of a single guarantee with an amount exceeding 10% of the latest audited net assets;
- (6) provision of guarantees to any shareholder, de facto controller and their related parties.

When the general meeting is considering a proposal to provide guarantee for any shareholder, de facto controller or their related parties, the said shareholder or the shareholders controlled by the said de facto controller shall be abstained from voting on the proposal, and the proposal shall be subject to approval by half or more of the voting rights of the other attending shareholders.

Where the Company provides guarantees to its controlling shareholder, de facto controller and their related parties, the controlling shareholder, de facto controller and their related parties shall provide counter-guarantees.

The external guarantee provided by the Company shall be implemented in strict accordance with the laws and regulations and the Articles. For any violation of the approval rights or deliberation procedures for external guarantees stipulated in laws, regulations or the Articles by the relevant personnel, the Company shall have the right to decide to pursue the liability of the relevant personnel according to the size of the loss, the size of the risk and the seriousness of the circumstances.

**Article 67** The following matters about financial assistance of the Company shall be submitted to the general meeting of shareholders for consideration after consideration and approval by the board of directors:

- (1) The amount of a single financial assistance exceeds 10% of the latest audited net assets of the Company;
- (2) The latest financial statement of the subject to be funded shows that the asset-liability ratio exceeds 70%;
- (3) The cumulative amount of financial assistance in the last 12 months exceeds 10% of the latest audited net assets of the Company;
- (4) Other circumstances stipulated by the securities regulatory authority, stock exchange where the shares of the Company are listed or the Articles of the Company.

If the subject to be funded is a controlled subsidiary within the scope of the Company's consolidated statements, and the other shareholders of the controlled subsidiary do not include the Company's controlling shareholder, actual controller and their associates, the provisions of the preceding two paragraphs may be exempted.

The Company shall not provide financial assistance to the related parties of the Company, except that it provides financial assistance to a related holding company not controlled by the controlling shareholder or actual controller of the Company and the other shareholders of the holding company provide financial assistance with the same conditions in proportion to their capital contributions.

The provision of financial assistance by the Company to the related holding company specified in the preceding paragraph not shall be considered and approved by more than half of all non-related directors, but also shall be considered and approved by not less than two-thirds of the non-related directors present at the meeting of the board of directors, and shall be submitted to the general meeting of shareholders for consideration.

If financial assistance violates any approval rights or consideration procedures stipulated in laws, administrative regulations, or the Articles, and causes losses to the Company, the Company has the right to pursue the liability of the relevant personnel accountable.

**Article 68** A general meeting shall either be an annual general meeting or an extraordinary general meeting. General meetings shall be convened by the board of directors. Annual general meetings are held once every year within six months from the end of the preceding financial year.

The board of directors shall convene an extraordinary general meeting within two months of the occurrence of any one of the followings:

- (1) where the number of directors is less than the number stipulated in the *Company Law* or two-thirds of the number specified in these Articles;
- (2) where the unrecovered losses of the Company amount to one-third of its total share capital;



- (3) where shareholders who individually or jointly hold 10% or more of the issued and outstanding voting shares of the Company request in writing for the convening of an extraordinary general meeting;
- (4) whenever the board of directors deems necessary;
- (5) whenever the board of supervisors so requests;
- (6) other circumstances specified in laws, regulations, departmental regulations or these Articles.

The calculation of shareholding percentage stipulated in above item (3) shall take the date when the shareholders request in writing as the calculation base date.

**Article 69** The location for holding a general meeting of the Company shall be the domicile of the Company in general or other specific place notified by the convener of the general meeting.

A venue shall be set aside for the convening of a physical general meeting. The Company will also enable shareholders to have access to the general meeting by other means as permitted by the listing rules of the place where the shares of the Company are listed. The shareholders that have participated in the meeting through access of any aforesaid means shall be deemed as having attended the meeting.

**Article 70** When the Company convenes an annual general meeting, it shall inform all shareholders by way of announcement within twenty business days prior to the meeting. When the Company convenes an extraordinary general meeting, it shall inform all shareholders by way of announcement within fifteen days or ten business days (whichever is longer) prior to the meeting.

Regarding the calculation of the notice period, the date of the meeting shall not be included.

Business day refers to a day on which the Hong Kong Stock Exchange is open for the business of trading in securities.

**Article 71** In a general meeting of the Company, the board of directors, board of supervisors, two or more independent non-executive directors and shareholders individually or collectively holding 3% or more of the total shares of the Company are entitled to propose proposals to the Company.

Shareholders individually or collectively holding more than 3% of the shares of the Company may submit any extraordinary proposals in writing to the convener of the meeting within ten working days prior to the date of the general meeting.

The convener shall issue supplemental notice of general meeting containing the details of such extraordinary proposals within two working days upon the receipt of the proposals. Where the convener decides not to include such proposal into the agenda of the general meeting, he shall give reasons and explain at the general meeting.

Save for provided above, the convener shall not amend the proposal stated in, or include any new proposals to, the notice of general meeting after the issue of the notice of general meeting.

The proposal shall carry specific subjects and matters to be resolved within the scope of authorization of the general meeting and in compliance with the laws, regulations and these Articles.

**Article 72** The Company shall calculate the number of shares with voting rights represented by the shareholders planning to attend the general meeting in accordance with the written replies received within the period specified in Article 70 of these Articles. The extraordinary general meeting shall not decide on matters not specified in the notice.

**Article 73** The notice of a general meeting shall meet the following criteria:

- (1) it shall be made in writing;
- (2) it shall specify the venue, date and time of the meeting;
- (3) it shall set out the matters to be considered at the meeting;
- (4) it shall set out the record date of shareholders who are entitled to attend the general meeting;
- (5) it shall provide shareholders with such information and explanation as necessary for them to make informed decisions on the matters to be considered. This principle includes (but not limited to) where a proposal is made to merge the Company with another, to repurchase shares, to restructure the share capital, or to reorganize the Company in any other way, the terms of the proposed transaction shall be provided in detail together with copies of the proposed agreement, if any, and the cause and effect of the such proposal shall be fully explained;
- (6) it shall disclose the nature and degree of the material interest of any director, supervisor, senior management members in the matters to be considered. In case that the impact of the matters to be considered on such director, supervisor, senior management members as a shareholder is different from that on other holders of the same class of shares, the difference shall be explained;
- (7) it shall set out the full text of any special resolution to be proposed at the meeting;
- (8) it shall contain a prominent written statement that a shareholder eligible for attending and voting is entitled to appoint one or more proxies to attend and vote on his/her behalf and that a proxy need not be a shareholder;
- (9) it shall specify the delivery time and place of the authorization letter for proxy voting of the meeting;
- (10) it shall contain the name and telephone number of the regular contact person for the meeting;

(11) it shall contain the timing and procedure of voting through web network or other ways.

Details of all proposals shall be fully and completely disclosed in the notice of general meeting and its supplementary notice. In the event that independent non-executive directors are required to express their opinions on the matters to be discussed, a notice of general meeting or a supplementary notice shall, when given, also disclose the opinions and reasons of the independent non-executive directors.

The interval between the record date and the date of the meeting shall not be more than 7 working days. Once the record date is confirmed, no change may be made thereto.

**Article 74** Where the elections of director and supervisor will be discussed at the general meeting, the notices of the general meeting shall contain the details of the candidates of directors and supervisors including the following particulars:

- (1) personal particulars such as education background, working experience and any part-time positions;
- (2) whether there is any related relationship with the Company or the controlling shareholders and de facto controller of the Company;
- (3) their shareholding in the Company;
- (4) whether there are any penalties or punishments imposed by the China Securities Regulatory Commission and other related authorities or stock exchanges.

Except for the election of directors and supervisors via cumulative voting system, the election of each director and supervisor shall be voted upon on a separate basis.

**Article 75** Notice of a general meeting shall be served on shareholders (whether or not entitled to vote at the general meeting) by way of announcement.

**Article 76** The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the meeting or any resolution adopted at that meeting.

**Article 77** All shareholders whose names appear on the register of members as at the record date or their proxies shall be entitled to attend the general meetings and exercise their voting rights in accordance with relevant laws, regulations and these Articles.

Any shareholder entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf. According to the appointment of the shareholder, a proxy so appointed shall:

- (1) have the same right as the shareholder to speak at the meeting;

- (2) have right to individually or jointly in demanding a poll;
- (3) have the right to vote by hand or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.

If the shareholder is an authorized clearing house or its agent as defined in the Securities and Futures (Clearing Houses) Ordinance of Hong Kong (Chapter 420 of the Laws of Hong Kong), such shareholder is entitled to appoint one or more persons as his proxy at any general meetings or any class meeting. If more than one person is appointed as proxy, the proxy forms shall state clearly the number of shares and the class of shares represented by each of the proxies. The proxy appointed may represent the authorized clearing house or its agent to exercise its rights as if such person is an individual shareholder of the Company.

**Article 78** If an individual shareholder attends the meeting in person, he/she shall produce his/her own identification document or other valid documents or certificates providing proof of his/her identity and stock account card. If a proxy is appointed to attend the meeting, the proxy shall produce his/her own identification document and the power of attorney by the shareholder.

A corporate shareholder shall attend the meeting through its legal representative or the proxy authorized by the legal representative. If a legal representative attends the meeting, he/she shall produce his/her own identification document and valid documents showing that he/she qualifies to serve as the legal representative. If a proxy attends the meeting, he/she shall produce his/her own identification document and written power of attorney granted by the legal representative of corporate shareholder according to laws.

**Article 79** Shareholders shall appoint a proxy by written instrument which is signed by the appointer or his/her agent so authorized in writing, or if the appointer is a legal person, sealed by the stamp of the legal person or signed by its director or agent so officially authorized. Such instrument shall state clearly the following:

- (1) the name of the appointer and the name of the proxy;
- (2) the number of shares represented by the proxy or, in case that more than one proxy are appointed, the instruments shall state clearly the number of shares represented by each of the proxies;
- (3) whether the proxy has voting rights;
- (4) the instructions on whether to vote for or against or abstain from voting on each matter included in the agenda of the general meeting;
- (5) whether the proxy has voting rights in respect of the temporary proposal as might be included in the agenda of the general meeting, and, if yes, the instructions on how to exercise the voting rights;

(6) the date of issue and effective period of the letter of proxy;

(7) the signature (or seal) of the appointer.

**Article 80** The instrument appointing a voting proxy shall be placed at the domicile of the Company or at such other place as specified in the notice of the meeting within 24 hours prior to the meeting at which the proxy is authorised to vote or within 24 hours prior to the specified time for the voting. Where the instrument is signed by another person authorised by the appointer, the power of attorney or other authorization document shall be notarised. The notarised power of attorney or other authorization document shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other place as specified in the notice of the meeting.

Where the appointer is a legal person, its legal representative or the person authorised by resolution of its board of directors or other decision-making body shall be entitled to attend the Company's general meeting as the representative of such legal person.

The Company has the right to request a proxy who attends the extraordinary general meeting on behalf of a shareholder to provide evidence of his/her identity.

If a shareholder which is a legal person appoints a proxy to attend a meeting on its behalf, the Company has the right to request such proxy to produce evidence of such shareholder's and his identity and the resolutions of such shareholder's board of directors or the power of attorney executed by other authority in respect of the appointment of the proxy.

**Article 81** Any form issued to a shareholder by the board of directors for use by him for appointing a proxy shall allow the shareholder to freely instruct the proxy to cast vote in favour of or against or to abstain from voting for each resolution at the meeting. Such letter of authorization shall contain a statement that in the absence of instructions by the shareholder, his proxy may vote as he thinks fit.

**Article 82** Where the appointer has deceased, incapacitated to act, withdrawn the appointment or the power of attorney, or where the relevant shares have been transferred prior to the voting, a vote given in accordance with the letter of authorization shall remain valid provided that no written notice of such event has been received by the Company prior to the commencement of the relevant meeting.

**Article 83** The attendance register shall be prepared by the Company, which shall state the names (or names of the corporations), identification document numbers and the addresses of the attendees, the number of voting shares held or represented, names of the appointers (or names of the corporations), etc.

**Article 84** In convening a general meeting, the convener and the lawyer appointed by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of members provided by the securities registration and clearing authority, and shall register the names of the

shareholders as well as the amount of their voting shares. The registration for the meeting shall be completed before the presider announces the number of shareholders and proxies that attend the meeting on-site and the total amount of their voting shares.

**Article 85** When a shareholder's meeting is held, all the directors, supervisors and secretary of the board of directors should attend the meeting. The senior management personnel should be present at the meeting.

**Article 86** The Company shall formulate the Rules of Procedure of the General Meeting regulating the convening and voting procedure of general meetings, including notice, registration, consideration of resolutions, voting, counting of ballots, announcement of voting result, formation of resolution, meeting minutes and signing thereof and announcement, and the principles for authorisation to the board of directors by general meetings. The Rules of Procedure of the General Meeting shall be an appendix to the Articles and shall be formulated by the board of directors and approved by the general meeting.

**Article 87** The board of directors and the board of supervisors shall report their work in the preceding year at the annual general meeting. Every independent non-executive director shall also make his/her work report.

**Article 88** Directors, supervisors and senior management members shall make explanations in relation to the inquiries and suggestions made by shareholders at the general meetings.

**Article 89** The chairman of the meeting shall announce the number of shareholders and proxies present at the meeting and the total number of voting shares held by them before voting. The record of the meeting which states the number of shareholders and proxies present at the meeting and the total number of voting shares held by them shall prevail.

**Article 90** The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions.

Ordinary resolutions put forward in the general meeting shall be adopted by not less than half of shareholders (including their proxies) with voting rights attending the meeting.

Special resolutions put forward in the general meeting shall be adopted by not less than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.

**Article 91** A shareholder (including proxy), when voting at a general meeting, may exercise voting rights in accordance with the number of shares carrying the right to vote. Each share shall have one vote. The shares of the Company held by itself shall have no voting rights, and shall be excluded from the total number of voting votes at general meeting.

When material issues affecting the interests of minority investors are being considered at the general meeting, the votes of minority investors shall be counted separately. The separate counting results shall be promptly and publicly disclosed.

When a related party transaction is being considered at a general meeting, the related shareholders shall abstain from voting and the number of voting shares represented by them shall be excluded from the total number of effective votes according to the listing rules of the stock exchange(s) on which the shares of the Company are listed. The announcement of the resolutions of the general meeting shall fully disclose the results of the non-related shareholders' voting.

Where a shareholder purchasing the shares with voting rights of the Company violates paragraph 1 or 2 of Article 63 of the Securities Law of the People's Republic of China, the voting rights of the shares that exceed the prescribed proportion shall not be exercised within 36 months after purchasing such shares, and such shares shall not be included in the total number of voting shares of shareholders present at the meeting.

The Board, independent non-executive directors and shareholders with more than 1% of the voting shares of the Company or investor protection agencies established in accordance with laws, administrative regulations or the provisions of the securities regulatory authorities of the State Council may act as the soliciting party, either on their own or by commissioning securities companies and securities service agencies, to publicly request shareholders of the company to appoint them to attend general meetings on their behalf, and exercise shareholders' rights such as proposal rights and voting rights. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being collected. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. Except for statutory conditions, the Company shall not impose any minimum shareholding limitation for collecting voting rights.

**Article 92** The general meeting shall adopt voting by way of poll or any other methods required by the listing rules of the stock exchange on which the shares of the company are listed.

A declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution at the meeting.

**Article 93** A poll demanded on such matters as the election of chairman or the adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.

**Article 94** On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

**Article 95** In the case there is an equality of votes, whether the vote is taken by a show of hands or by poll, the chairman of the meeting is entitled to a casting vote.

**Article 96** The following resolutions shall be adopted as ordinary resolutions at a general meeting:

- (1) working reports of the board of directors and board of supervisors;
- (2) profit distribution proposals and plans for making up losses formulated by the board of directors;
- (3) election and dismissal of directors and shareholders' representative supervisors, and their remuneration and payment method;
- (4) annual financial budgets and final accounts of the Company;
- (5) annual reports of the Company;
- (6) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws, regulations, the listing rules of the place where the Company's shares are listed or these Articles.

**Article 97** The following resolutions shall be adopted as special resolutions at a general meeting:

- (1) increase or reduction of share capital, repurchase of the Company's shares and issuance of shares of any class, warrants and other similar securities of the Company;
- (2) issuance of debentures of the Company;
- (3) division, spin-off, merger, dissolution, liquidation and changes to the form of the Company;
- (4) amendments to these Articles;
- (5) acquisition or disposal of major assets or provision of guarantee with the amount exceeding 30% of the Company's latest audited total assets within a year;
- (6) share incentive plans;
- (7) other matters approved by ordinary resolution of the general meeting believing that they could materially affect the Company and need to be approved by special resolution pursuant to the requirements of laws, administrative regulations, the listing rules of the place where the Company's shares are listed or the Articles.



**Article 98** An extraordinary general meeting may be convened upon the proposal of independent non-executive director submitted to the board of directors in written form. The board of directors shall, in accordance with the laws, regulations and these Articles, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten business days upon receipt of such proposal.

If the board of directors agrees to convene an extraordinary general meeting, a notice of meeting shall be issued within five days after adopting the relevant resolution by the board of directors. If the board of directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given.

**Article 99** An extraordinary general meeting may be convened upon the proposal of the board of supervisors submitted to the board of directors in written form. The board of directors shall, in accordance with the laws, regulations, the listing rules of the stock exchange(s) on which the shares of the Company are listed and the Articles, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten business days upon receipt of such proposal.

If the board of directors agrees to convene an extraordinary general meeting, a notice of the meeting shall be issued within five days after adopting the relevant resolution by the board of directors. Any amendments to the original proposal in the notice are subject to approval of the board of supervisors.

If the board of directors does not agree to convene an extraordinary general meeting, or fails to furnish a written reply within ten days after receipt of the proposal, the Board is deemed to be unable or unwilling to perform the duty of convening a general meeting, in which case the board of supervisors may convene and preside over such meeting by itself.

**Article 100** When shareholders request for the convening of an extraordinary general meeting or any class meeting, the following procedures shall be followed:

- (1) Shareholder(s) who individually or jointly hold 10% or more of the shares carrying the right to vote at the meeting or the board of supervisors can request the board of directors to convene an extraordinary general meeting or class meeting by signing one or several copies of written request(s) in the same form and content, and stating the motions proposed. The amount of shares referred to above shall be calculated as at the date of making the request. The board of directors shall, in accordance with the requirements of laws, regulations and the Articles, furnish a written feedback stating its agreement or disagreement to convene the extraordinary general meeting or the class meeting within ten days upon receipt of such request.

If the board of directors agrees to convene the extraordinary general meeting or the class meeting, a notice for convening the extraordinary general meeting or the class meeting shall be issued within five days upon adoption of the resolution by the board of directors. The consent of the relevant shareholder(s) shall be secured if any change is to be made in the notice to the original request.

- (2) If the board of directors does not agree to convene the extraordinary general meeting or the class meeting or fails to furnish a written feedback within ten days upon receipt of such request, shareholders individually or jointly holding 10% or more of the shares carrying the right to vote at the meeting sought to be held shall be entitled to propose to the board of supervisors to convene an extraordinary general meeting or class meeting, provided that such proposal shall be made in written form.
- (3) In the event that the board of supervisors agrees to convene an extraordinary general meeting or class meeting, the notice of the meeting shall be issued within five days after receipt of the request. Any changes to the original request set out in the notice are subject to prior consent of the shareholders concerned.

Failure of the board of supervisors to issue a notice of meeting within the prescribed time limit shall be deemed as failure of the board of supervisors to convene and preside over a general meeting, in which case shareholders individually or jointly holding 10% or more of the Company's shares for ninety consecutive days or more may convene and preside over the meeting.

All reasonable expenses incurred for such meeting convened by the shareholders as a result of the failure of the board of directors to convene a meeting as required by the above request(s) shall be borne by the Company and be set off against sums owed by the Company to the defaulting directors.

**Article 101** In the event that the board of supervisors or a shareholder decides to convene a general meeting on its own, it or he shall notify the Board in written form and report the same to the stock exchange for the record.

Before making an announcement on a resolution made at the general meeting, the percentage of voting shares held by the convening shareholders may not be less than 10%. The convening shareholders shall disclose the announcement no later than the notice of the general meeting, and promise to hold no less than 10% of the total share capital of the Company during the period from the date when the general meeting is proposed to convene to the date of the general meeting.

The board of supervisors or the convening shareholders shall submit relevant proof materials to the stock exchange when giving a notice of general meeting and making an announcement on the resolutions made at such meeting.

**Article 102** The board of directors and the secretary of the board shall cooperate with the board of supervisors or the shareholders in convening a general meeting on their own. The board will provide the register of shareholders as at the record date.

**Article 103** The chairman of the board of directors shall preside over the general meetings convened by the board of directors and in the failure of which, the vice chairman shall convene and preside over the meeting. In the event that both the chairman and vice chairman are unable to attend

the meeting, a director selected by not less than half of the directors shall preside over the meeting; In the event that no such designation is made, one shareholder as elected from the attending shareholders may preside over the meeting. If, for any reason, the attending shareholders fail to elect one to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall preside over the meeting.

The chairman of the board of supervisors shall preside over the general meetings convened by the board of supervisors at its sole discretion. In the event that the chairman of the board of supervisors is unable to or fails to fulfill the required obligations, a supervisor selected by not less than half of the supervisors shall preside over the meeting.

For the general meetings convened by shareholders, the conveners shall nominate a representative to preside over the meeting.

In the event that the chairman of the meeting violates the rules of procedures which results in the general meeting being unable to continue, upon approval by the shareholders representing not less than half of the voting rights present at the meeting, a person may be elected to chair the general meeting and the meeting shall continue. If, for any reason, the shareholders are unable to elect someone to be the chairman, the attending shareholder (or his proxy) who holds the most voting shares shall preside over the meeting.

**Article 104** A convener shall ensure that a general meeting shall be held consecutively until a final resolution is formed. In the event that a general meeting is suspended or no resolutions can be made thereat due to special reasons such as force majeure, the convener shall take necessary measures to restore the meeting as soon as possible or directly terminate the meeting, and make an announcement promptly. Meanwhile, the convener shall report to the local representative office of the China Securities Regulatory Commission and the stock exchange of the place where the Company is located.

**Article 105** The list of candidates for the directors and supervisors shall be submitted to the general meeting for approval by way of resolution. When election of the directors and supervisors is voted at the general meeting, in accordance with the provisions of the Articles or the resolution of the general meeting, if a single shareholder and its persons acting in concert are interested in 30% or more of the shares of the Company and the general meeting plans to elect more than two directors or supervisors, the cumulative voting system is required.

The election of independent directors and non-independent directors shall be carried out separately. The directors and supervisors to be elected will be listed in a descending order of the number of votes obtained to determine the elected directors and supervisors according to the number of directors and supervisors to be elected. Shareholders who attend the general meeting are entitled to votes of the same number as the number of director or supervisor candidates under each resolution group for every share held by them for resolutions adopting the cumulative voting system. The shareholders may cast all their votes on one candidate or split them on a few candidates. Shareholders shall vote up to a limit of the number of votes in each resolution group. In the event that the number of votes

cast by the shareholder exceeds the number of the votes he/she holds, or the shareholder casts votes in a number exceeding the number of candidates in the competitive election, the vote on such resolution shall be deemed invalid.

Shareholders with multiple shareholder accounts may vote online through any one of their accounts. The number of votes they are entitled to is calculated on the basis of the total shares of the same class under all of their shareholder accounts.

**Article 106** The approach and procedures for nomination of candidates for directors and supervisors are as follows:

- (1) Shareholder(s) individually or jointly holding not less than 3% of the total issued and outstanding voting shares of the Company may propose in writing to the general meeting for the nomination of candidates for non-employee representative directors and supervisors. However, the number of candidates proposed shall comply with these Articles, and shall not be more than the number to be elected. The aforesaid proposal of the shareholders should be served to the Company at least 14 business days before the date of the general meeting.
- (2) The list of candidates for directors and supervisors shall be proposed by the board of directors and the board of supervisors for the consideration of the board of directors and board of supervisors respectively, and the number of candidates to be proposed shall be within the number stipulated in these Articles. The list of candidates for directors and supervisors shall be submitted to the general meeting by way of a written proposal after being considered and adopted by the board of directors and board of supervisors.
- (3) The written notices for the intention to nominate a candidate for director or supervisor and the acceptance of nomination by such candidate and the written information of the nominated candidate shall be given to the Company no less than 7 business days prior to the date of the general meeting. The board of directors or board of supervisors shall provide shareholders with the biographical details and basic information of the candidates for directors and supervisors.
- (4) The Company shall allow a notice period of no less than 7 days commencing from the day following the date of the notice of general meeting for the submission of the aforesaid notices and documents.
- (5) Voting for the election of each candidate for a director and supervisor shall be carried out separately in the general meeting.
- (6) Where there is a need to fill the casual vacancy of director or supervisor, the board of directors or board of supervisors shall submit a proposal to the general meeting for the election or change of a director or supervisor.

**Article 107** In addition to the cumulative voting system, the general meeting shall vote on all resolutions individually. If there are various resolutions for a single matter, they shall be voted in the chronological order of the proposals being proposed. Except under special circumstance such as force majeure leading to the suspension of or inability to adopt resolutions at a general meeting, no resolution shall be set aside or left undecided at the general meeting.

**Article 108** When a resolution motion is being considered at the general meeting, no change shall be made to the resolution, or the relevant change shall otherwise be deemed as a new resolution which may not be voted at such general meeting.

**Article 109** The voting right of the same shares shall be exercised only either by on-site voting or other means of voting. In case of multiple voting by the same shares, only the first vote will be deemed as valid.

**Article 110** Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is related to the matter to be considered shall not participate in vote counting or scrutinising.

When the shareholders are voting on the resolutions, lawyers, shareholders' representatives, auditors, H-Share registrar or external accountants qualified to serve as auditors, and supervisors of the Company shall jointly count and scrutinize the votes. Voting result shall be announced forthwith by the chairman of the meeting, and shall be recorded in the minutes of meeting.

Shareholders of the Company or their proxies who cast their votes through online voting or other voting methods shall have the right to inspect their own voting results through a corresponding voting system in accordance with relevant requirement of regulatory rules of the place where the shares of the Company are listed.

**Article 111** An on-site general meeting shall not end earlier than the one held on the Internet or by other methods. The chairman of the meeting shall announce details and results of the voting on each proposal, and announce whether a proposal is passed according to the voting results.

Before the formal announcement of voting results, the companies, vote counters, vote scrutineers, major shareholders, network service providers and other related parties involved in the on-site general meeting, online voting and other voting methods shall be under a confidentiality obligation relating to the details of the voting.

**Article 112** Shareholders present at the general meeting shall express their opinions on the resolutions put forward for voting in one of the following options: for, against, or abstain. Shareholders or their proxies shall not vote in favor of mutually exclusive resolutions at the same time.

There may be the exception of securities registration and settlement agents who, as the nominal holders of the shares under Shanghai-Hong Kong Stock Connect, shall make declaration in accordance with the instructions of the de facto holders of the shares.

Ballot papers that are left in blank, unduly completed or illegible or that have not been used are deemed as abstained from voting by the voters, and the voting results corresponding to the shares in their possession shall be treated as “Abstain”.

**Article 113** In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to the vote, he may have the votes counted. In the event that the chairman of the meeting fails to have the votes counted, any shareholder present in person or by proxy who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the declaration of the voting result, and the chairman of the meeting shall have the votes counted immediately.

**Article 114** In the event that the votes are counted at the general meeting, the counting results shall be recorded in the minutes of the meeting.

The minutes of the meeting together with the attendance book for shareholders’ signing and the proxy forms for proxies attending the meeting shall be kept at the domicile of the Company. The aforesaid minutes of meeting, attendance book for signature and proxy forms shall not be destroyed in 10 years.

**Article 115** Copies of the minutes of the meeting shall be available for inspection during business hours of the Company by any shareholder free of charge. If a shareholder demands from the Company a copy of such minutes, the Company shall send a copy to him within 7 days after receipt of reasonable charges.

**Article 116** Where a resolution for the election of directors or supervisors is adopted at the general meeting, the term of office of the newly-elected directors and supervisors shall commence at the time when such resolution is adopted.

**Article 117** The resolutions of the general meeting shall be announced in a timely manner, and the announcement shall indicate the number of shareholders and proxies that attended the meeting, the total amount of their voting shares and its proportion to the total voting shares of the Company, the voting method, voting results of each proposal and detailed contents of each adopted resolution.

**Article 118** Where a proposal has not been adopted or a resolution of any previous general meeting has been modified in the current general meeting, special explanation shall be given in the announcement on that resolution of the general meeting.

**Article 119** Where the proposals on cash dividends, bonus shares or stock dividends from capital reserves have been passed at the general meeting, the Company shall implement specific plans within two months from the conclusion of the general meeting.

**Article 120** The Company shall, in connection with the convening of a general meeting, engage lawyers to issue legal opinions in respect of the following matters and make relevant announcements accordingly:

- (1) whether the procedures relating to the convening and the holding of such meeting comply with the laws, administrative regulations and the Articles;
- (2) the legality and validity of the qualifications of the attendees and the convener of the meeting;
- (3) the legality and validity of the voting procedures and voting results;
- (4) legal opinions issued on other related matters as requested by the Company.

### **Chapter 9 Special Procedures for Voting by Class Shareholders**

**Article 121** Shareholders holding different classes of shares shall be class shareholders.

Class shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of laws, administrative regulations and these Articles.

Where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares.

Where the share capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.

**Article 122** Any variation or abrogation of the rights of any class shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected class shareholders at a separate meeting convened in accordance with Articles 123 to 127.

**Article 123** The following circumstances shall be deemed to be a variation or abrogation of the rights of a certain class shareholders:

- (1) an increase or decrease in the number of shares of such class, or an increase or decrease in the number of shares of a class having voting or distribution rights or other privileges equal or superior to the shares of such class;
- (2) an exchange of all or part of the shares of such class into those of another class or a grant of a right to exchange all or part of the shares of another class into the shares of such class;
- (3) the removal or reduction of rights to accrued dividends or rights to cumulative dividends attached to shares of such class;

- (4) the reduction or removal of a dividend preference or a liquidation preference attached to shares of such class;
- (5) the addition, removal or reduction of conversion privileges, options, voting rights or transfer or pre-emptive rights attached to shares of such class, or rights to obtain securities of the Company;
- (6) the removal or reduction of rights attached to shares of such class to receive payments payable by the Company in particular currencies;
- (7) the creation of a new class of shares having voting or distribution rights or privileges equal or superior to those of the shares of such class;
- (8) the restriction of the transfer or ownership of the shares of such class or any addition to such restriction;
- (9) the issuance of rights to subscribe for, or convert into, shares of the Company of such class or another class;
- (10) to increase the rights or privileges of shares of other classes;
- (11) the restructuring of the Company where the proposed restructuring will result in different classes of Shareholders bearing different degrees of responsibility in respect of liability; and
- (12) the variation or abrogation of the provisions in these Articles.

**Article 124** Shareholders of the affected class, whether or not having the right to vote at general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning paragraphs (2) to (8), (11) and (12) of Article 123, but interested shareholder(s) shall not be entitled to vote at class meetings.

The interested shareholders referred to in the preceding paragraph have the following meanings:

- (1) In the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 32 of these Articles, “interested shareholder” shall refer to the controlling shareholder as defined in Article 62 of these Articles;
- (2) In the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 33 of these Articles, “interested shareholder” shall refer to the shareholder to which the proposed agreement relates;



- (3) In the case of a restructuring of the Company, “interested shareholder” shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.

**Article 125** A resolution of a class meeting shall only be passed in accordance with Article 123 by shareholders present at the class meeting who represent two-thirds or more of voting rights.

**Article 126** Written notices of a class meeting convened by the Company shall be dispatched within the time specified for convening a general meeting in accordance with Article 70 of the Articles to all shareholders of such class whose names appear on the register of shareholders, specifying the matters to be considered and the time and venue of the meeting. Shareholders who intend to attend the meeting shall serve on the Company written replies of their intention to attend within the time stated in the meeting notice.

In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights, the necessary quorum shall be not less than one-third of the holders of the issued shares of that class.

**Article 127** Notice of class meetings needs only be served on shareholders entitled to vote thereat.

Meetings of any class of Shareholders shall be conducted in a similar way as closely as possible to the procedures for general meetings of shareholders set out in these Articles. The provisions of these Articles relating to the holding of any meeting of shareholders shall apply to any class meeting.

**Article 128** In addition to holders of other class shares, holders of domestic shares and overseas listed foreign shares are deemed to be shareholders of different classes.

The special procedures for voting by class shareholders shall not apply in the following circumstances:

- (1) where the Company issues, upon approval by special resolution of its shareholders in general meeting, domestic shares and overseas listed foreign shares once every twelve months, either separately or concurrently, and the respective numbers of domestic shares and overseas listed foreign shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas listed foreign shares;
- (2) where the Company completes, within 15 months from the date on which approval is given by the securities regulatory authorities of the State Council, its plan (made at the time of its establishment) to issue domestic shares and foreign shares.

## Chapter 10 The Board of Directors

### Section 1 Directors

**Article 129** The Company shall have a board of directors which shall be accountable to the general meeting. The board of directors consists of 5 to 13 directors, including one chairman and one vice chairman, and the number of independent non-executive directors shall not be less than one-third of the actual number of the board of directors, and the number of external directors shall be more than one-half of the actual number of the board of directors.

**Article 130** Directors shall be elected at general meeting with a term of office of 3 years each. Upon maturity of the term of office, a director shall be eligible to offer himself for re-election.

The chairman and vice chairman of the board of directors shall be elected and removed by more than one-half of all directors. The term of office of the chairman and vice chairman shall be 3 years, renewable upon re-election. Directors are not required to hold shares of the Company.

The term of office of directors shall commence from the date of appointment up to the maturity of the current term of office of the Board. In the event that the terms of directors fall upon maturity whereas new members of the Board are not re-elected in time, the existing directors shall continue to perform their duties in accordance with the laws, administrative regulations, departmental rules and the Articles until the elected directors assume their office.

The senior management may concurrently serve as a director, provided that the aggregate number of the directors who concurrently serve as senior management and directors held by employee representatives shall not exceed one half of all the directors of the Company.

**Article 131** A written notice of the intention to nominate a candidate of director and the acceptance of nomination shall be given to the Company no earlier than the date after the dispatch of the notice of the general meeting and no later than 7 business days prior to the date of such meeting.

**Article 132** A director may resign before the expiry of his/her term of office. The resigning director shall submit to the board of directors a written resignation.

In case that the number of directors falls below the quorum as a result of the resignation of a director, or the number of independent non-executive directors falls short of one-third of the number of members of the board of directors or absence of accounting professional in the independent non-executive directors due to the resignation of an independent non-executive director, the resignation of such director shall only take effect upon the election of a director in place of the leaving director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a new director to fill the vacancy.

Other than the circumstances specified in the preceding paragraph of this Article, the resignation of a director shall take effect upon receipt of the resignation by the board of directors.

**Article 133** A director shall complete handover procedures with the board of directors upon his/her resignation or expiration of term of office. The fiduciary duties of a director to the Company and the shareholders do not necessarily cease upon termination of his/her term of office. The duty of confidence of a director in relation to trade secrets of the Company survives the termination of his/her tenure until such secrets become available to the public.

**Article 134** No director shall represent the Company or the board of directors unless duly authorized by these Articles or the board of directors. When acting on his/her own behalf, insofar as a third party would reasonably believe that such director is acting on behalf of the Company or the board of directors, the director shall state his/her position and identity in advance.

**Article 135** Any director who performs his/her duties in violation of laws, regulations or these Articles and causes damages to the Company shall be liable for compensation of such damages.

**Article 136** Any director who has withdrawn from his/her office without authorization prior to the expiration of his/her term of office and causes damages to the Company shall be liable for compensation of such damages.

Subject to applicable laws and regulations, the general meeting may remove any director by ordinary resolution before the expiration of his/her term of office without prejudice to any claim for damages by such director pursuant to any contract.

**Article 137** A director will be deemed to have failed to perform his duties if he fails to attend the meetings of the Board in person twice consecutively nor appoints other directors to attend the meetings on his behalf. The Board shall make recommendations to the general meeting to replace such director. In the event that a director attends the meeting of the board of directors in person within a year less than two-thirds of the number of meetings of the board of directors in the current year, the board of supervisors of the Company shall review the fulfillment of his/her duties, and make a resolution on and announce whether he/she is diligent and responsible. Attendance in person includes attendance in person on site or by correspondence.

## Section 2 Board of Directors

**Article 138** The board of directors shall be accountable to the general meetings, and exercise the following powers:

- (1) to convene the shareholder meetings and report its work to the general meetings;
- (2) to implement resolutions of the general meeting;
- (3) to formulate the strategies and development plans of the Company;
- (4) to decide on the business plans and investment plans of the Company;

- (5) to formulate the plans for annual financial budgets and final accounts of the Company;
- (6) to formulate the plans for profit distribution and making up losses of the Company;
- (7) to formulate proposals for the increase or reduction of registered capital and the issue of shares, debentures or other securities and the listing project of the Company;
- (8) to formulate plans for major acquisition, repurchase of the shares of the Company or the merger, division, dissolution or change of the nature of incorporation of the Company;
- (9) to decide on matters such as external investment, acquisition and disposal of assets, pledge of assets, external guarantee, debt financing, entrusted wealth management, related party transactions and external donations within the scope authorized by the general meeting of shareholders, except those which shall be approved by the general meeting of the Company as prescribed by laws, regulations, departmental regulations, or these Articles;
- (10) to decide on the establishment of the internal management organization of the Company;
- (11) to decide on appointment or removal the general manager, secretary of the board of directors of the Company, and to decide on their remuneration and rewards and punishments; to determine the appointment or dismissal of other senior management, such as the vice general manager and chief accountant, of the Company pursuant to the nominations of the general manager and decide on their remuneration as well as reward and punishment;
- (12) to formulate the basic management system of the Company;
- (13) to prepare plans for amending these Articles;
- (14) to manage information disclosure matters of the Company;
- (15) to propose to the general meetings as to the appointment or change of the accounting firm for the auditing of the Company;
- (16) to receive the work reports of the general manager of the Company and to review the work of the general manager;
- (17) to decide the establishment of special committees and their compositions;
- (18) to exercise other functions and powers conferred by the laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed, at general meetings and these Articles.

The transactions such as acquisition and disposal of assets, provision of financial assistance, lease-in or lease-out of assets between the Company and its subsidiaries within the scope of consolidated statements and among the subsidiaries within the scope of consolidated statements can be exempted from the decision-making procedures of the board of directors of the Company, unless otherwise stipulated in relevant laws and regulations, normative documents and these Articles.

Resolutions relating to the above, with the exception of items (7), (8) and (13) above which shall be approved by not less than two-thirds of the directors, shall be approved by not less than half of the directors.

Financial assistance and provision of guarantee transactions of the Company are required to be approved by more than half of all directors, and are also required to be approved by two-thirds or more of the directors present at the meeting of the board of directors and to be disclosed in a timely manner.

Prior to making decisions on material issues of the Company, the Board shall first seek advice from the Party Committee of the Company.

**Article 139** The board of directors shall also be responsible for the followings:

- (1) to implement, review and improve the corporate governance system and condition of the Company;
- (2) to review and supervise the training and continuing professional development of directors and senior management;
- (3) to review and supervise the compliance of the Company's policies with laws and relevant regulations of the securities regulatory authority where the shares are listed and to make the relevant disclosure;
- (4) to formulate, review and supervise the code of conduct and relevant compliance manual of employees and directors;
- (5) to review the Company's compliance with the *Hong Kong Listing Rules* and the *Code on Corporate Governance Practices* as well as the disclosures in its *Corporate Governance Report*,

The board of directors shall be responsible for the aforementioned corporate governance functions. It may also delegate the duties to one or more of its special committees.

**Article 140** The board of directors shall explain to the general meeting when a registered accounting firm issues an audit report with qualified opinions regarding the financial report of the Company.

**Article 141** The board of directors shall formulate the rules of procedures of board meetings to ensure the implementation of the resolutions of the general meeting, its work efficiently and decision making in scientific manner. The rules of procedures shall be formulated by the board of directors and approved by the general meeting.

**Article 142** Subject to the provisions of Articles 64 and 138, the following issues shall be considered and approved by the board of directors:

- (1) external equity investment with a single transaction amount accounting for not less than 5% but not more than 50% of the latest audited net assets of the Company;
- (2) fixed asset investment with a single transaction amount accounting for not less than 5% but not more than 50% of the latest audited net assets of the Company;
- (3) financing construction investment and real estate development project with a single transaction amount accounting for not less than 25% but not more than 50% of the latest audited net assets of the Company;
- (4) entrusted wealth management with a single amount being not less than RMB1 billion but not more than RMB3 billion;
- (5) acquisition and disposal of assets with a single transaction amount accounting for not less than 10% but not more than 50% of the latest audited net assets of the Company, or with the cumulative amount of total assets involved for 12 consecutive months accounting for not less than 10% but not more than 30% of the latest audited total assets of the Company;
- (6) pledge of assets with the amount of assets involved in a single transaction (in case of book value and appraised value, whichever is higher) accounting for not less than 25% but not more than 50% of the latest audited net assets of the Company.

**Article 143** In cases where the expected value of fixed assets proposed for disposal by the board of directors, when aggregated with value of fixed assets disposed within four months before the proposed disposal, exceeds 33% of the fixed assets value set out in the latest balance sheet reviewed by the general meetings, the board of directors shall not dispose or consent to dispose such fixed assets without prior approval by the general meeting.

The term “fixed assets disposal” referred to in this Article represents (among other things) transferring certain interests in assets, but not including provision of guarantees by way of fixed assets.

The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.

**Article 144** The chairman of the board of directors shall exercise the following powers:

- (1) to preside over general meetings and convene and preside over meetings of the board of directors;
- (2) to supervise and check on the implementation of the resolutions of the general meetings and the board of directors;
- (3) to sign the significant documents of the board of directors and other documents required to be signed by the legal representative of the Company;
- (4) to exercise certain powers of the board of directors in accordance with authorization of the board of directors during adjournment of the board meeting;
- (5) to sign the share certificates issued by the Company;
- (6) to organise the formulation of relevant systems and to coordinate the operation of the board of directors;
- (7) to exercise special powers of discretion and disposal regarding the Company's affairs in compliance with the laws and regulations and in the interests of the Company in the event of emergency caused by force majeure such as wars and natural disasters, and to report to the board of directors and general meetings after exercising such powers;
- (8) to receive the work reports of the general manager, other senior management of the Company and the persons-in-charge of the invested enterprises of the Company;
- (9) the board of directors authorises the chairman of the board of directors to decide on the following issues:
  - (i) external equity investment with a single transaction amount being not exceeding 5% of the latest audited net assets of the Company;
  - (ii) fixed asset investment with a single transaction amount being not exceeding 5% of the latest audited net assets of the Company;
  - (iii) financing construction investment and real estate development project with a single transaction amount being not exceeding 25% of the latest audited net assets of the Company;
  - (iv) entrusted wealth management with a single amount being not exceeding RMB1 billion;
  - (v) acquisition and disposal of assets with a single transaction amount being not exceeding 10% of the latest audited net assets of the Company;

- (vi) pledge of assets with the amount of assets involved in a single transaction (in case of book value and appraised value, whichever is higher) being not exceeding 25% of the latest audited net assets of the Company;
- (vii) relevant documents and matters that need to be submitted and signed as required by foreign parties in the international contracting projects tendered in the name of the Company;
- (viii) donation with the total amount being not exceeding RMB30 million within one year.

Except other matters that shall not be authorized as stipulated in the laws, administrative regulations, regulatory rules of the place where the shares of the Company are listed or and these Articles.

The chairman of the board may authorize others to decide the relevant matters within the above scope of authorization.

When the chairman exercises his power within his scope of authority (including authorization), the decisions on matters that may have a significant impact on the operation of the Company shall be made prudently, and if necessary, shall be submitted to the board of directors for decision-making.

- (10) to approve resolutions or matters proposed by the general manager except those required to be approved by the board of directors or general meeting;
- (11) to exercise other functions and powers conferred by the law, regulations, Articles or the board of directors.

**Article 145** Should the chairman of the board of directors is unable or fails to exercise his duties or powers, the vice Chairman of the board of directors shall exercise such duties or powers. Should both the chairman and the vice Chairman of the board of directors are unable or fail to exercise their duties or powers, a director elected by not less than a half of the directors shall exercise such duties or powers.

**Article 146** Meetings of the board of directors shall be held regularly at least four times in each year and shall be convened by the chairman of the board of directors.

An extraordinary board meeting may be convened upon the proposal of chairman of the board of directors, shareholders individually or jointly holding one tenth or more of the total number of shares carrying voting rights of the Company, one-third or more of the directors, two or more of the independent non-executive directors, general manager or the board of supervisors. Chairman of the board of directors shall convene and chair the board meeting within ten days after receiving such proposal.



**Article 147** The notice of board meeting shall be served to all directors, supervisors and general manager by means of facsimile or email fourteen days before the date of the meeting (for regular meeting) or by means of written notice five days before the date of the meeting (for extraordinary meeting). In case of emergency, such notice may be waived from the time and content requirement for the notice of an extraordinary board meeting set out in these Articles, provided that an explanation shall be made at the meeting by the convener. In avoidance of doubt, the notice of the extraordinary board meeting under emergency conditions shall be in compliance with the matters set out in clauses (1), (2) and (4) of Article 148 and contain reasonable and necessary information such as reason and resolutions of the relevant meeting.

**Article 148** The notice of a board meeting shall include the following:

- (1) date and place of the meeting;
- (2) duration of the meeting;
- (3) reasons of the meeting and proposals to be considered;
- (4) date of the notice;
- (5) the form of the meeting.

**Article 149** Quorum of a board meeting shall be not less than half of all directors.

Each director shall have one vote. Resolutions adopted at the board meeting shall be approved by not less than half of all directors.

Where there are an equal number of votes against and for a particular resolution, the chairman shall be entitled to have one more casting vote.

**Article 150** When a director and the enterprises involved in the resolutions of the board meeting have related relations, such director shall not exercise his/her voting rights on such proposal nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if it is quorate by more than half of the unrelated directors. The resolutions of the board meeting shall be passed by more than half of unrelated directors. If the number of unrelated directors attending the board meeting is less than three, such matter shall be put forward to the general meeting for consideration.

**Article 151** Resolutions of the board meetings shall be voted by poll. The board meeting shall be held on-site in principle. If necessary, under the premise of safeguarding full expression of opinions of the directors, the extraordinary board meeting may also be held by way of telecommunication such as teleconference and video conference upon the consent of the convener, whose consent shall not be refused unreasonably. However, the number of meetings held by way of telecommunication such as teleconference or video conference shall be minimised.

If a substantial shareholder or a Director is deemed to have material conflict of interests in the matter to be considered by the Board of Directors, the matter shall be dealt with in a Board meeting rather than by a written resolution. Only the independent non-executive directors who and whose associates have no material interest in the transaction shall be present at that Board meeting.

**Article 152** Directors shall attend a board meeting in person. If they are not able to attend the meeting due to certain reasons, they may authorise other directors in writing to attend the meeting on their behalf. A letter of authorization shall indicate the name of proxy, matters of proxy, scope of authorization and validity, and shall be signed or sealed by the appointer. Directors participating in the extraordinary board meeting by way of telecommunication such as teleconference and video conference shall be deemed as attending such meeting in person.

The appointed director attending the meeting shall exercise the rights of a director within the scope of authorization. If a director does not attend a meeting of the board of directors in person, and does not authorize any representatives to attend the meeting, he/she shall be deemed to have waived the voting right in the meeting.

**Article 153** The board of directors shall keep minutes of resolutions on matters discussed at meetings. The minutes shall be signed by the directors, supervisors, secretary to the board of directors, convener or his/her proxy, chairman of the meeting and the recorder present at the meeting. Custody period of minutes shall be ten years. The directors shall be liable for the resolutions of the board of directors. If a resolution of the board of directors violates the laws, regulations or these Articles and results in the Company sustaining serious losses, the directors participating in the resolution shall be liable to compensate the Company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection is recorded in the minutes of the meeting, such director may be released from such liability.

**Article 154** The minutes of the board of directors shall consist of the following:

- (1) the method, date and venue for the convention of meeting and name of person summoning the meeting;
- (2) the name of the director present and name of director being appointed to attend on the other's behalf;
- (3) the agenda;
- (4) the main point of director's speech;
- (5) the voting method of each agenda and the result (the result shall state the number of votes for and against).

**Article 155** The Company provides an expenditure budget for the Board. The secretary to the Board is responsible for formulating the annual expenditure budget for the Board, which shall be included in the annual expenditure budget of the Company as management expense upon approval. Expenditures of the Board are approved by the chairman or the secretary to the Board as authorised by the chairman.

**Article 156** The expenditures of the Board are utilised as follows:

- (1) Allowance of the directors;
- (2) Expenses of the meetings of the Board;
- (3) Consulting fees for intermediaries;
- (4) Funds for various activities arranged under the name of the Board;
- (5) Other expenditures of the Board.

**Article 157** The Board of directors may establish relevant special committees such as the audit committee, the strategy committee, remuneration and appraisal committee and nomination committee. The special committee shall be responsible to the Board and shall perform its duties as authorized by the Articles and the Board. The special committee shall submit proposals to the Board for consideration and decision. The board of directors shall be responsible for formulating the working procedures and regulating the operation of special committees.

### Section 3 Independent Non-executive Directors

**Article 158** The Company has established a system of independent non-executive directors. Independent non-executive directors refer to directors who do not take up any position in the Company other than serving as directors and do not have any connection with the Company and its substantial shareholders (substantial shareholders refer to shareholders who individually or jointly hold not less than 5% of total voting shares of the Company) that is likely to affect their independent and objective judgment in compliance with the independent requirements of the listing rules of the place where the shares of the Company are listed.

Independent non-executive directors shall be appointed for a term of 3 years, which is renewable upon re-election. However, the term of office of an independent non-executive director shall not exceed a total of 6 years, unless otherwise provided in relevant laws, regulations and the listing rules of the stock exchange on which the shares of the Company are listed.

**Article 159** Independent non-executive directors shall meet the following basic requirements:

- (1) possessing the qualifications as a director of a listed company according to the laws, regulations, the listing rules of the stock exchange on which the shares of the Company are listed and other related regulations;
- (2) having the independency as stipulated in the listing rules of the stock exchange on which the shares of the Company are listed;
- (3) having the basic knowledge in respect of the operations of listed companies, and familiarizing with the relevant laws, regulations, rules and regulations;
- (4) possessing not less than 5 years' working experience in practising law, finance or the other experiences necessary for discharging the duties as an independent non-executive director.
- (5) other requirements as specified by these Articles.

**Article 160** Independent non-executive directors may not be removed prior to the expiry of his/her term of office without justified reason. Where an independent non-executive director is removed from office prior to the expiry of his/her term of office, the Company shall disclose the matter as special disclosure.

If an independent non-executive director fails to attend in person the board meetings for three consecutive times, the board of directors may propose the dismissal of such director at a general meeting.

**Article 161** As regard to the regulations on independent non-executive directors, if not provided in this section, the provisions of relevant laws, regulations, rules and listing rules of the stock exchange on which the shares of the Company are listed shall apply.

## **Chapter 11 Secretary to the Board**

**Article 162** The Company shall have secretary of the board of directors. The secretary shall be a senior officer of the Company and accountable to the Company and the board of directors. The secretary to the Board shall be appointed or dismissed by the Board, and accountable to the Board. The term of office of secretary to the Board is three years, subject to re-appointment upon expiry of his term.

**Article 163** The secretary to the board of directors of the Company shall be a natural person who has the requisite professional knowledge and experience, and shall be appointed by the board of directors. His/her primary responsibilities are as follows:

- (1) to assist the board of directors to strengthen the construction of corporate governance mechanism;

- (2) to be responsible for the management of corporate information disclosure;
- (3) to be responsible for the investor relations management of the Company, and improve the investor communication, reception and service mechanism of the Company;
- (4) to be responsible for equity management of the Company;
- (5) to organize the preparation and submission of reports and documents issued by the board of directors and general meetings as required by competent authorities;
- (6) to organize board meetings and general meetings, be responsible for recording of the meetings and keep meeting documents and records;
- (7) to ensure that individuals who are entitled to obtain relevant records and documents may access to them in time;
- (8) other duties as provided in laws, regulations, regulatory documents, listing rules of the place(s) where the shares of the Company are listed and these Articles.

The secretary to the board of directors shall be present at important decision-making meetings such as board meetings, chairman's special meetings, office meetings of general manager and meetings of special committees under the board of directors. When the Party organization studies and discusses major business management matters, the secretary of the board of directors shall be present.

**Article 164** The secretary to the board of directors shall be nominated by the chairman of the board of directors and appointed or dismissed by the board of directors. Directors and senior executives of the Company may also serve as the secretary of the board of directors. Where the secretary of the board of directors of the company is held concurrently by a director, and an act is required to be done by a director and a secretary separately, the person who holds the offices of director and secretary shall not perform the act in a dual capacity.

## **Chapter 12 General Manager of the Company**

**Article 165** The Company shall have one general manager, several vice general managers and one chief accountant, all of whom shall be appointed by a majority vote of all directors.

The general manager shall be nominated by the chairman of the board of directors while the vice general managers and chief accountant shall be nominated by the general manager.

**Article 166** The senior management of a listed company shall not hold any other administrative positions other than directors and supervisors in the controlling shareholder. If the senior management of the controlling shareholder concurrently serves as the director and supervisor of the listed company, he/she shall ensure that there is enough time and energy to undertake the work of the listed company.

**Article 167** The general manager shall be appointed for a term of 3 years, which is renewable upon re-election.

**Article 168** The general manager shall be accountable to the board of directors and shall perform the following duties:

- (1) to be in charge of the production, operation and management of the Company and report to the board of directors;
- (2) to organize the implementation of resolutions of the board of directors, and annual business plans and investment plans of the Company;
- (3) to draft the plan for establishment of the internal management structure of the Company;
- (4) to draft the general management system and draft operation plan of the Company;
- (5) to formulate the detailed rules and regulations of the Company;
- (6) to propose to the board of directors the appointment or dismissal of the vice general managers and chief accountant of the Company;
- (7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the board of directors;
- (8) to decide on related party transactions whose transaction amount does not meet the disclosure standards specified in the relevant listing rules of the place(s) where the Company's shares are listed (except for providing guarantees and receiving cash assets);
- (9) other duties conferred by the board of directors to the general manager.

**Article 169** The general manager shall be present at board meetings.

**Article 170** The general manager shall formulate rules for his/her work which shall be implemented upon approval of the board of directors. The working rules of the general manager shall include the following:

- (1) conditions and procedures for the convention and participants of general manager meetings;
- (2) specific duties and work allocation of the general manager, vice managers and chief accountant;
- (3) scope of authorization regarding the use of funds and assets of the Company and the entering of material contracts, and the system for reporting to the board of directors and the board of supervisors;

(4) other matters which the board of directors considers necessary.

**Article 171** The general manager and other senior management may resign prior to the expiration of their terms. The procedures and rules for resignation of the general manager and other senior management shall be specified in the employment contracts between the general manager and other senior management and the Company, except the relevant laws, administrative regulations and listing rules of the place(s) where the Company's shares are listed stipulated otherwise.

**Article 172** If the general manager and other senior management cause any loss to the Company due to his/her violation of laws, administrative regulations, departmental rules or the Articles when he/she is performing his/ her duties, he/she shall be liable for the compensation.

**Article 173** The general manager shall comply with laws, regulations and these Articles when performing his/her duties and act honestly and diligently.

**Article 174** The Company shall implement the system of chief legal counsel. Where the relevant matters considered by the board of directors of the Company relate to legal issues, the chief legal counsel shall be present at the meeting and express legal opinions.

### **Chapter 13 Board of Supervisors**

**Article 175** The Company shall establish a board of supervisors.

**Article 176** The board of supervisors shall comprise three to seven supervisors and the proportion of employee representative supervisors shall not be less than 1/3. Non-employee representative supervisors of the board of supervisors shall be elected and removed at the general meeting, while employee representative supervisors shall be elected by the employees of the Company through the meeting of employee representatives, meeting of employees or other forms of democratic election.

The terms of office of supervisors shall be three years, renewable upon re-election. The board of supervisors shall have one chairman, the election and removal of whom shall be passed by at least two-thirds of the members of the board of supervisors. The chairman of the board of supervisors shall convene and preside meetings of the board of supervisors. Where the chairman of the board of supervisors is incapable of performing or fails to perform his/her duties, a supervisor elected by at least half of the supervisors shall convene and preside over the meeting of the board of supervisors.

**Article 177** If the term of office of a supervisor expires but re-election cannot be held immediately or if any supervisor resigns during his term of office so that the number of the board of supervisors falls short of the statutory minimum, or if the resignation of any employee representative supervisor results in the number of employee representative supervisors less than one-third of the members of the board of supervisors, the said supervisor shall continue to fulfill the duties as a supervisor pursuant to the laws, regulations and these Articles until a new supervisor is elected.

Apart from the cases referred in the preceding paragraph, the resignation of supervisors shall be effective from the delivery of the resignation report to the board of supervisors.

**Article 178** The supervisors shall ensure the truthfulness, accuracy and completeness of the information disclosed by the Company, and sign written confirmation for regular reports.

**Article 179** The supervisors shall not use their related relationship to prejudice the interests of the Company and shall be liable for indemnity to any loss caused to the Company.

**Article 180** Supervisor who violates any laws, regulations, departmental rules or these Articles during the course of performing his/her duties and causes losses to the Company shall be liable for making compensation for any loss caused to the Company.

**Article 181** The directors, senior management of the Company shall not act concurrently as supervisors.

**Article 182** The board of supervisors shall hold at least two meetings each year, with at least one meeting held every six months. The supervisors may propose to convene extraordinary meetings of the board of supervisors.

**Article 183** The board of supervisors shall establish rules of procedures for the meeting of the board of supervisors specifying the formats of discussion and the voting procedure of the board of supervisors so as to ensure efficiency and scientific decision making in the board of supervisors.

**Article 184** The board of supervisors shall exercise the following functions and powers in accordance with law:

- (i) to review the regular reports of the Company formulated by the board of directors and provide written review opinion;
- (ii) to supervise the finance of the Company;
- (iii) to supervise the directors and senior management in their performance of duties and to propose the removal of directors and senior management who have contravened any law, regulations, these Articles or resolutions of general meetings;
- (iv) to demand any director and senior management of the Company who acts in a manner which is harmful to the interests of the Company to rectify such behavior;
- (v) to propose to convene an extraordinary general meeting of the board of directors and to convene and preside over general meetings when the board of directors fails to perform such duty;
- (vi) to make proposals at a general meeting;



- (vii) to institute a lawsuit against the directors or senior management in accordance with the *Company Law*;
- (viii) to conduct investigations whenever unusual operation conditions of the Company arise and if necessary, to engage professional institutions such as firms of accountants and lawyers to assist in the investigations at the cost of the Company;
- (ix) other functions and powers conferred by the general meeting.

Supervisors may be present at meetings of the board of directors and raise questions or make suggestions concerning proposed resolutions at board meetings.

**Article 185** Given for proper reasons, supervisors are entitled to demand the chairman of the board of supervisors for convening the extraordinary meeting of the supervisory board.

A meeting of the board of supervisors shall not be conducted unless it is attended by not less than two-thirds of the supervisors. Voting at the meeting board of supervisors shall be carried out by poll or by a show of hands and each supervisor shall have one vote. A supervisor shall attend meetings of the board of supervisors in person, or appoint in writing another supervisor to attend the meeting on his/her behalf due to his/her absence. The letter of authorization shall specify the name of proxy, matters of proxy, scope of authorization and validity and signed or sealed by the proxy.

Both resolution at regular meetings and extraordinary meetings of the board of supervisors are resolution of meeting of the supervisory board, which shall be approved by the votes of at least two-thirds of members of the board of supervisors.

**Article 186** The board of supervisors shall record all matters considered at the meeting into the meeting minutes. Participating supervisors shall sign the meeting minutes for confirmation. Supervisors are entitled the right to make certain written explanations for the statements expressed at the meeting in the minutes. The meeting minutes of the board of supervisors shall be kept as corporate documents for at least 10 years.

**Article 187** All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by the board of supervisors in discharging its duties shall be borne by the Company.

Reasonable expenses incurred by supervisors in attending meeting of the board of supervisors shall be borne by the Company. Such expenses shall include the travelling expenses from the place of domicile of the supervisors to the place of the meeting (if it is not at the place of domicile of the supervisors), catering and accommodation expenses during the meeting, rental of the venue and local transportation expenses.

**Article 188** Supervisors shall carry out their duties honestly and faithfully in accordance with the laws, regulations and these Articles.

## **Chapter 14 Qualifications and Duties of the Directors, Supervisors, Senior Management of the Company**

**Article 189** A person may not serve as a director, supervisor, senior management of the Company if any of the following circumstances applies:

- (1) a person without legal or with restricted legal capacity;
- (2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence, or who has been deprived of his political rights due to offences committed, in each case where less than 5 years have elapsed since the date of the completion of implementation of such punishment or deprivation;
- (3) 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 3 years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;
- (4) a person who is a former legal representative of a company or enterprise which had its business licence revoked and had been ordered to close down due to a violation of the law and who incurred personal liability, where less than 3 years has elapsed since the date of the revocation of the business license;
- (5) a person who has a relatively large amount of debts due and outstanding;
- (6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where said investigation or prosecution is not yet concluded;
- (7) a person who is convicted of the contravention of relevant securities regulations by a relevant competent authority, and such conviction involves fraud or dishonest behaviour, where less than 5 years has elapsed since the date of the conviction;
- (8) A person who is punished by the securities regulatory authority under the State Council and prohibited from entering the securities market, where the period of punishment has not yet expired;
- (9) A person who is publicly recognized by the stock exchange as being disqualified to serves as a director, supervisor and senior management of a listed company, and the such period of disqualification has not expired;
- (10) any other circumstances as prescribed by the relevant laws and regulations of the place where the Company's shares are listed.

If a director, supervisor or senior management is nominated, elected or appointed in violation of the provisions of this article, the nomination, election, appointment or engagement shall be invalid.

Any person who serves as any roles apart from a director or supervisor in the controlling shareholders or de facto controllers of the Company shall not act as a senior management of the Company.

**Article 190** The validity of an act of a director or any senior management on behalf of the Company is not, vis-a-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

**Article 191** In addition to obligations imposed by laws, regulations or required by the stock exchanges on which the Company's shares are listed, each of the Company's directors, supervisors, senior management owes following duties to each shareholder, in the exercise of the functions and powers of the Company entrusted to him:

- (1) not to cause the Company to exceed the scope of business stipulated in its business licence;
- (2) to act honestly in the best interest of the Company;
- (3) not to expropriate in any guise the Company's property, including (but not limited to) usurpation of opportunities favourable for the Company;
- (4) not to expropriate the individual rights of shareholders, including (but not limited to) rights to distribution and voting rights, save pursuant to a restructuring of the Company submitted to the general meeting for approval in accordance with these Articles;
- (5) to keep abreast of the Company's business operation and management situation in a timely manner;
- (6) to sign written confirmation opinions on the securities offering documents and regular reports of the Company so as to ensure that the information is disclosed by the Company in a timely and fair manner and is true, accurate and complete;
- (7) to provide true information and data to the board of supervisors and not interfere with the board of supervisors or supervisors in the exercise of their functions and powers.

**Article 192** Each of the Company's directors, supervisors, senior management owes a duty, in the exercise of his powers and discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**Article 193** Each of the Company's directors, supervisors, senior management shall carry out his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle applies to, among others, the discharge of the following obligations:

- (1) to act honestly in the best interests of the Company;
- (2) to exercise powers within the scope of his powers and not to exceed those powers;
- (3) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless permitted by laws, regulations or with the informed consent of shareholders given in a general meeting, not to delegate the exercise of his discretion;
- (4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;
- (5) except in accordance with these Articles or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (6) without the informed consent of shareholders given in general meeting, not to use the Company's property for his own benefit by any means;
- (7) not to exploit his position to accept bribes or other illegal income or misappropriate or expropriate the Company's funds or property by any means, including (but not limited to) opportunities favourable for the Company;
- (8) without the informed consent of shareholders given in general meeting, not to accept commissions in connection with the Company's transactions;
- (9) to abide by these Articles, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;
- (10) without the informed consent of shareholders given in general meeting, not to compete with the Company in any form, and not to abuse the related relationship to prejudice the Company's interest;
- (11) not to misappropriate the Company's funds or to lend the Company's funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for the debts of any shareholder(s) of the Company or other individual(s) with the Company's assets; and

(12) without the informed consent of shareholders in general meeting, not to disclose any confidential information relating to the Company acquired by him during his tenure and not to use such information in purposes other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental competent authorities is permitted if:

- (i) disclosure is made under compulsion of law;
- (ii) the interests of the public require disclosure;
- (iii) the interests of the relevant director, supervisor, senior management require disclosure.

Any income received by any person mentioned in this Article from violating the provisions of this Article shall belong to the Company and any losses incurred by the Company shall be borne by such person.

**Article 194** Each director, supervisor, senior management of the Company shall not cause the following persons or institutions (“associates”) to do what he is prohibited from doing:

- (1) the spouse or minor child of that director, supervisor, senior management;
- (2) a person acting in the capacity of trustee of that director, supervisor, senior management or any person referred to in paragraph (1) of this Article;
- (3) a person acting in the capacity of partner of that director, supervisor, senior management or any person referred to in paragraphs (1) and (2) of this Article;
- (4) a company in which that such director, supervisor, senior management of the Company alone or jointly with one or more persons referred to in paragraphs (1), (2) and (3) of this Article or other directors, supervisors, senior management of the Company have a de facto controlling interest; and
- (5) the directors, supervisors, senior management of the controlled company referred to in paragraph (4) of this Article.

**Article 195** The fiduciary duties of the directors, supervisors, senior management of the Company do not necessarily cease with the termination of their tenure. The duty of confidence in relation to trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period as fairness may require depending on the time lapse between the termination of tenure and the occurrence of the event concerned and the circumstances under which the relationships between them and the Company are terminated.

**Article 196** Except for circumstances prescribed in Article 60 of these Articles, a director, supervisor, senior management of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.

**Article 197** Where a director, supervisor, senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (other than his contract of service with the Company), he shall declare the nature and extent of his interests to the Board at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal therefore is otherwise subject to the approval of the Board.

A director shall not vote nor shall he be counted in the quorum on any board resolution approving any contract, transaction, arrangement or other relevant proposal in which he or any of his associates (as defined in the applicable rules governing the listing of securities coming into force from time to time) has a material interest.

Unless the interested director, supervisor, senior management discloses his interests to the board of directors in accordance with the preceding paragraph of this Article and the contract, transaction or arrangement is approved by the board at a meeting in which the interested director, supervisor, senior management is not counted in the quorum and refrains from voting, a contract, transaction or arrangement in which that director, supervisor, senior management is materially interested is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested director, senior management.

A director, supervisor, senior management of the Company shall be deemed to be interested in a contract, transaction or arrangement in which an associate or a related party of him is interested.

**Article 198** Where a director, supervisor, senior management of the Company gives to the board of directors a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in contracts, transactions or arrangements of any description which may subsequently be made by the Company, such notice shall be deemed for the purposes of Article 197 of these Articles to be a sufficient declaration of his interests, so far as the content stated in such notice is concerned, provided that such general notice shall have been given before the date on which the issue of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company.

**Article 199** The Company shall not in any manner pay taxes for its directors, supervisors, senior management.

**Article 200** The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with, the making of a loan to a director, supervisor, senior management of the Company or of the Company's parent company or any of their respective associates.

However, the following circumstances are not subject to such prohibition:

- (1) the provision by the Company of a loan or a guarantee for a loan to a company which is a subsidiary of the Company;
- (2) the provision by the Company of a loan or a guarantee in connection with the making of a loan or any other funds to any of its directors, supervisors, senior management to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the terms of a service contract approved by the shareholders in general meeting; and
- (3) provided that the making of loans or providing guarantees forms part of the regular business of the Company, the Company may make a loan or provide a guarantee in connection with the making of a loan to any of the relevant directors, supervisors, senior management or their respective associates on normal commercial terms.

**Article 201** A loan made by the Company in breach of the above Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

**Article 202** A loan guarantee provided by the Company in breach of clause 1 of Article 200 shall be unenforceable against the Company, except in the following circumstances:

- (1) a loan advanced to an associate of any of the directors, supervisors, senior management of the Company or of the Company's parent company where the lender was not aware of the situation when the loan was made; or
- (2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

**Article 203** For the purposes of the foregoing provisions of this chapter, a guarantee includes an undertaking or property provided to secure the performance of obligations by the obligor.

**Article 204** In addition to any rights and remedies provided by the laws and regulations, where a director, supervisor, senior management of the Company is in breach of his duties to the Company, the Company has a right to:

- (1) claim damages from the director, supervisor, senior management in compensation for losses sustained by the Company as a result of such breach;
- (2) rescind any contract or transaction entered into by the Company with the director, supervisor, senior management and any contract or transaction entered into by the Company with a third party, where such third party knows or should know that there is such a breach of duties by such director, supervisor, senior management;

- (3) demand the director, supervisor, senior management to surrender the profits made by him in breach of his duties;
- (4) recover any monies received by the director, supervisor, senior management which should have been otherwise received by the Company, including (but not limited to) commissions;
- (5) demand payment of the interest earned or which may have been earned by the director, supervisor, senior management on the monies that should have been paid to the Company; and
- (6) recover any property obtained by the director, supervisor, senior management convicted of the breach of duty by legal proceedings.

**Article 205** The Company shall enter into a contract in writing with each director, supervisor and senior management of the Company, which shall at least contain the following provisions:

- (1) the directors, supervisors and senior management shall undertake to the Company that they will comply with the *Company Law*, the *Special Regulations*, the *Takeover Code*, the *Share Repurchase Code*, these Articles of the Company and other rules formulated by Hong Kong Stock Exchange, and agree that the Company shall have the right to take the remedial actions provided in these Articles, and that neither such contracts nor the positions of the directors, supervisors and senior management shall be transferred;
- (2) the directors, supervisors and senior management shall undertake to the Company that they will observe and fulfill their obligations to the shareholders provided in these Articles; and
- (3) the arbitration clause provided under Article 260 of these Articles.

**Article 206** The Company shall, with the prior approval of shareholders in general meeting, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated, including;

- (1) emoluments in respect of his service as director, supervisor or senior management of the Company;
- (2) emoluments in respect of his service as director, supervisor or senior management of any subsidiary of the Company;
- (3) emoluments in respect of the provision of other services in connection with the management of the affairs of the Company or any of its subsidiaries; and
- (4) compensation for loss of office, or as consideration for or in connection with his retirement from office.



Except under a contract entered into in accordance with the foregoing, no proceedings may be brought by a director or supervisor against the Company for any benefits in respect of the matters mentioned in this Article.

**Article 207** The contract for emoluments entered into between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to the prior approval of the shareholders in general meeting, have the right to receive compensation or other payment for loss of office or retirement.

A takeover of the Company as referred to above means:

- (1) a takeover offer made by any person to all shareholders; or
- (2) an offer made by any person with a view to becoming a controlling shareholder within the meaning of Article 62 of these Article.

If the relevant director or supervisor does not comply with this Article, any sum so received by him shall belong to those persons who have sold their shares as a result of the said offer made. The expenses incurred in distributing that sum pro rata amongst those persons shall be borne by the relevant director or supervisor and shall not be paid out of that sum.

## **Chapter 15 Party Committee**

**Article 208** The Company shall establish the Party Committee consisting of one secretary and several other members. The chairman of the board of directors of the Company and the secretary of the Party Committee shall be assumed by the same person, and one deputy secretary shall be designated to carry out the Party building work. Eligible members of the Party Committee may take seats in the board of directors, the board of supervisors and the senior management through statutory procedures, while eligible members of the board of directors, the board of supervisors and the senior management may take seats in the Party Committee in accordance with relevant rules and procedures. Meanwhile, a discipline inspection committee shall be established in accordance with relevant requirements.

**Article 209** The investigation and discussion of the Party Committee of the Company on major issues shall be a prerequisite procedure for any decision-making by the board of directors and the management on such issues. The Party Committee shall perform the following duties in accordance with the internal laws and regulations of the Party including the Constitution of the Communist Party of China:

- (1) To strengthen the political construction of the Party of the Company, study and implement the Xi Jinping's Thought on Socialism with Chinese Characteristics for the New Era, ensure and supervise the Company's implementation of guidelines and policies of the Party and the State,

and implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of the party committee of State-owned Assets Supervision and Administration Commission and the Party organizations of higher levels;

- (2) To adhere to the principle of the Party supervising the performance of officials while ensuring the lawful selection by the board of directors of the senior management and the lawful exercise of the power of the senior management in the employment of personnel, and strengthen the construction of leadership, cadres team and talent team. The Party Committee shall consider and propose opinions and suggestions on the candidates as nominated by the board of directors or general manager, or nominate candidates to the board of directors or general manager; and, together with the board of directors, conduct investigation on the candidates to be appointed and collective research to raise opinions and suggestions;
- (3) To research and discuss the major operational and management issues of the Company, support the board of directors, management to exercise their power and rights according to laws. Major operational and management issues of the Company shall be determined by the shareholders' general meeting, the board of directors and management pursuant to relevant provisions after review and discussion by the Party Committee in advance;
- (4) To perform the main responsibility of comprehensive and strict Party management; to strengthen the construction of the Party's style of work, the construction of Party organization of grassroots and the construction of the team of the Party members. To lead the Company's ideological and political work, the united front work, the spiritual civilization construction, the corporate culture cultivation as well as the work of groups such as the labor union and the Communist Youth League; to lead the construction of the Party's working style and its clean and honest administration, and support the discipline inspection committee in earnestly performing its supervisory responsibilities.

## **Chapter 16 Financial and Accounting System and Profit Distribution**

**Article 210** The Company shall establish its financial and accounting system in accordance with the laws, regulations and PRC accounting standards formulated by the finance regulatory department of the State Council.

**Article 211** At the end of each fiscal year, the Company shall prepare a financial report which shall be examined and verified by an accounting firm.

The fiscal year of the Company shall coincide with the calendar year, i.e. from January 1 to December 31 on the Gregorian calendar.

**Article 212** The board of directors of the Company shall place before the shareholders at every annual general meeting such financial reports as are required by the laws, regulations or directives promulgated by local governments and competent authorities to be prepared by the Company.

**Article 213** The Company's financial reports shall be made available for shareholders' inspection at the Company twenty days before the date of every annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports referred to in this Chapter.

The Company shall disclose by way of announcement (i) its directors' report, financial report together with the balance sheet (including all annexes to the balance sheet as prescribed by the applicable laws), profit and loss account or income and expenditure statement, or (ii) summary financial report at least twenty-one days before the convening of the annual general meeting.

**Article 214** The Company shall prepare its financial statements, announces or disclosed interim results or financial data in accordance with the PRC accounting standards and regulations, and shall prepare in accordance with the international accounting standards or the accounting standards of the place where the Company's shares are listed oversea as otherwise required under the laws and regulations and listing rules of the place where the Company's shares are listed.

**Article 215** The Company shall submit and disclose its annual reports to the securities regulatory authority of the State Council and the stock exchange within four months of the end of each financial year, submit and disclose its interim reports to the local office of the securities regulatory authority of the State Council and the stock exchange within two months of the end of the first six months of each financial year.

These annual reports and interim reports shall be prepared in accordance with the provisions of relevant laws, administrative regulations, securities regulatory authorities of the place where the shares of the Company are listed and stock exchanges and published in accordance with the relevant provisions of the securities regulatory authorities of the places where the shares of the Company are listed and the stock exchange.

Where the securities regulatory authorities of the places where the shares of the Company are listed and the stock exchange provide otherwise, such provisions shall prevail.

**Article 216** The Company shall not keep accounts other than those provided by law. Any assets of the Company shall not be kept under any account opened in the name of any individual.

**Article 217** Capital reserve fund includes the following items:

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

**Article 218** When distributing the profit after tax for a year, the Company shall set aside 10% of its profit after tax for the statutory reserve fund. When the balance of the statutory reserve fund reaches 50% or more of the registered capital of the Company, no further allocations to the statutory reserve fund will be required.

Where the Company's statutory reserve fund is insufficient to make up 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 fund in accordance with the preceding paragraph.

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

After making up of losses and appropriation to reserve funds, balance of the profit after tax shall be distributed to shareholders in proportion to their shareholdings, except where non-pro rata distribution is provided pursuant to these Articles. The Company may distribute interim cash dividends in accordance with a resolution of the shareholders in general meeting.

Where the general meeting distributes the profits to shareholders before making up the losses and appropriation to reserve funds in breach of the provisions of the preceding paragraphs, the shareholders shall return to the Company such profits distributed in violation of the provisions.

Shares of the Company held by the Company shall not be entitled to any profit distribution.

**Article 219** The Company may distribute dividends in one or both of the following manners:

- (1) cash;
- (2) shares.

The Company shall maintain consistent and stable profit distribution policies as practicable and shall consider cash dividend as the first priority. The specific ratio of dividend to be distributed shall be resolved by the shareholders at the general meetings.

The Company shall calculate, declare and pay dividends and other amounts which are payable to holders of domestic shares in RMB after the date of declaration. The Company shall calculate and declare dividends and other amount which are payable to holders of overseas listed foreign shares in RMB, and shall pay such amounts in foreign currency after the date of declaration. The exchange rate shall be the average closing rate for the relevant foreign currency announced by the People's Bank of China 5 working days prior to the declaration of the dividend and other amounts. Payment in foreign currency to holders of overseas listed foreign shares shall be made in accordance with the relevant foreign exchange control regulations of China. The dividend distribution of the Company shall be implemented by the board of directors according to the authorization delegated by the general meeting through an ordinary resolution.

**Article 220** Basic principles for the profit distribution policy of the Company:

- (1) The Company shall take into full account of the returns for investors and the cumulative profit distributed in cash in recent three years shall not be less than 30% of the average distributable profit of the Company for such three years;

- (2) The profit distribution policy of the Company shall be consistent and stable, while taking into account the long-term interests of the Company, the entire interests of shareholders as a whole, and the sustainable development of the Company;
- (3) The Company shall give priority to the method of profit distribution in cash dividends.

**Article 221** The details of the profit distribution policy of the Company are as follows:

- (1) The Company may distribute profit in cash, in shares or in a combination of both cash and shares or other methods permitted under the laws, regulations and regulatory documents;
- (2) The Company may distribute its dividend in cash under the condition that the Company is profitable in the current year and its accumulated undistributed profit is positive, and the audit institution has issued a standard audit report with unqualified opinions towards the Company's annual financial report. The accumulated profit distributed by the Company in cash in recent three years shall be no less than 30% of the average annual distributable profit gained in recent three years. The undistributed distributable profit of the year may be retained for distribution for future years. The distribution of the Company's profit shall not exceed its accumulated distributable profit nor damage the Company's sustainable operation ability;
- (3) While satisfying the requirements of cash dividend stipulated in the Articles, the Company will proactively distribute dividend in cash. In principle, the cash dividend is distributed once a year. The Board will make the proposal of conducting interim profit distribution according to the Company's profitability and capital demand;
- (4) To keep equity expansion in line with performance growth, the Company may distribute profit in stock dividend according to the situation of accumulated distributable profit, capital reserves and cash flow and under the premise that the conditions of the minimum cash dividend ratio and the above-mentioned cash dividend have been satisfied.

**Article 222** Procedures for reviewing the profit distribution proposal of the Company:

- (1) the Company's profit distribution plan shall be proposed and drafted by the management of the Company with reference to requirements under the Articles, profitability and capital needs, and shall then be submitted to the Board for consideration. The Board shall thoroughly discuss the rationality of the profit distribution plan and form a specific resolution and submit it to the general meeting for consideration.

When formulating a specific profit distribution plan, the Board should carefully study and demonstrate the timing, conditions and minimum proportion of the Company's cash dividends, the adjustment conditions and the requirements of its decision-making procedures. The independent non-executive directors shall express clear opinions. The independent non-executive directors may solicit opinions from minority shareholders, put forward proposals for dividends, and submit them directly to the Board for review. The Company shall actively

communicate with the shareholders, especially minority shareholders through various channels, fully listen to their opinions and demands on specific cash dividend plans and promptly answer the questions that minority shareholders are concerned about.

- (2) when the dividend distribution plan is considered at the general meeting, access to online voting for shareholders shall be provided by the Company; or the Board, independent non-executive directors and shareholders satisfying relevant requirements shall initiate a voting regarding profit distribution proposal through gathering votes from shareholders (especially minority shareholders) from record date to the date on which the general meeting is to be held;
- (3) where the cash dividend conditions stipulated by the Articles are satisfied, and the Company decides to set aside the cash distribution plan for the moment considering significant capital needs for material opportunities and prospect for investment or other special circumstances arise, the Board shall form a specific resolution as to the specific reason for non-distribution, the purpose of undistributed dividends maintained in the Company and use plan, and submit such resolution to the general meeting for consideration and disclose on designated media after the independent non-executive directors expressing their views.
- (4) if the Company needs to adjust or change the cash dividend policy as determined in the Articles, it shall base on the shareholders' interests. The Board shall thoroughly discuss the rationality of adjustment or changes to the distribution plan and put forward a proposal to the general meeting for consideration and approval and shall be passed by shareholders present in the general meeting representing not less than two-thirds of voting rights.

**Article 223** The Company may adjust its profit distribution policy in the event of the following:

- (1) where there is war, natural disasters and other force majeure;
- (2) where there are new laws, regulations or regulatory documents issued by relevant state authorities in respect of the profit distribution policy of listed companies;
- (3) where there are changes in the external operational environment of the Company, resulting in material impact on the production and operation of the Company;
- (4) where there are relatively significant changes in the Company's operational position, which requires the Company to adjust its profit distribution policy;
- (5) where it is necessary to adjust the profit distribution policy of the Company in the principle of protecting shareholders' rights or maintaining the sustainable development of the Company.

**Article 224** After the profit distribution plan has been resolved at a general meeting, the Board shall complete the dividend (or share) distribution within two (2) months after the holding of such meeting.

**Article 225** Any amount paid upon any shares before a call is made shall bear interest thereon. However, the shareholder is not entitled to any dividends of such pre-paid share capital declared subsequently.

**Article 226** The Company shall appoint receiving agents for the receipt of dividends distributed and other amounts payable by the Company in respect of the overseas listed foreign shares on behalf of the relevant holders.

The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws and regulations of the stock exchange of the place where the Company's shares are listed.

The receiving agent appointed for the holders of overseas listed foreign shares listed on the Hong Kong Stock Exchange shall be a trust company registered according to the Trustee Ordinance of Hong Kong.

Subject to the relevant laws and regulations in China and requirements of the Hong Kong Stock Exchange, the Company may exercise its right to confiscate any unclaimed dividends, provided that such right may only be exercised after the expiry of the relevant time frame.

The Company shall have the right to terminate the issue of dividend coupons to holders of overseas listed foreign shares by post if the dividend coupons have not been claimed for two consecutive times. Nevertheless, the Company may exercise such right if the first dividend coupon has failed to reach the shareholder and has been returned.

When exercising the power to issue share warrants to the bearers, the Company shall not issue any new share warrant to replace the original warrant that has been lost unless the Company is satisfied beyond reasonable doubt that the original one has been destroyed.

The Company may sell the shares held by a holder of overseas listed foreign shares who is untraceable in such ways as the board of directors thinks fit, provided that the following conditions shall be complied with:

- (1) at least three dividends have been distributed in respect of such shares during the period of 12 years, and no dividend has been claimed by the shareholder during that period; and
- (2) after the expiry of the 12-year period, the Company shall make an announcement in one or more newspapers at the place where the shares of the Company are listed stating the Company's intention to sell the shares, and notify the stock exchange on which the shares of the Company are listed.

**Article 227** The Company shall implement its internal audit system with its own audit personnel to audit and supervise the income and expenditure and financial activities of the Company and its wholly-owned subsidiaries.

**Article 228** The internal audit system and the duties of the audit personnel shall be implemented upon the approval of the Board. Person in charge of the audit shall be responsible to and report to the Board.

### **Chapter 17 Appointment of an Accounting Firm**

**Article 229** The Company shall appoint an independent firm of certified public accountants which is qualified under the relevant regulations of the State to audit the annual financial reports and other financial reports of the Company.

The appointment of the accounting firm of the Company shall be decided at general meeting, the Board shall not appoint the Company's accounting firm prior to obtaining approval at general meeting.

**Article 230** The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting at which the appointment is made until the conclusion of the next annual general meeting.

**Article 231** The accounting firm appointed by the Company shall have the following rights:

- (1) the right to inspect at any time the books, records and vouchers of the Company, and to require the directors, senior management of the Company to provide any relevant information and explanation thereof;
- (2) the right to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanation as are necessary for the performance of duties of such accounting firm; and
- (3) the right to attend general meetings and to receive all notices of, and other communications relating to, any general meeting which any shareholder is entitled to receive, and to be heard at any general meeting in relation to matters concerning its role as the accounting firm of the Company.

**Article 232** Before the convening of the general meeting, the board of directors may fill any casual vacancy in the office of the accounting firm but while there is still any such vacancy, the surviving or continuing firm, if any, may act.

**Article 233** The Company guarantees that the accounting documents, account books, financial and accounting reports and other information related to accounting which are provided to the accountants by the Company are true and complete. The Company must neither reject to provide information, nor hide it, nor lie about it.



**Article 234** The shareholders in general meeting may, by ordinary resolution, remove an accounting firm before the expiration of its office, notwithstanding the stipulations in the contract between the Company and the firm, but without prejudice to the firm's right to claim, if any, for damages in respect of such removal.

**Article 235** The auditing fee of an accounting firm is to be remunerated shall be determined by the shareholders in general meeting. The remuneration of an accounting firm appointed by the board of directors shall be determined by the board of directors.

**Article 236** The Company's appointment, removal and non-reappointment of an accounting firm shall be resolved by shareholders in general meeting.

Where it is proposed that any resolution be passed at a general meeting concerning the appointment of an accounting firm, which is not an incumbent firm, to replace an existing accounting firm or to fill a casual vacancy in the office of the accounting firm, or to reappoint a retiring accounting firm which was appointed by the board of directors to fill a casual vacancy, or to remove the accounting firm before the expiration of its term of office, the following provisions shall apply:

(1) A copy of the proposal about appointment or removal shall be sent to the firm proposed to be appointed or proposing to leave its post or the firm which has left its post in the relevant financial year before notice of meeting is given to the shareholders.

Leaving includes leaving by removal, resignation and retirement.

(2) If the leaving firm makes representations in writing and requests the Company to notify the shareholders of such representations, the Company shall (unless the representations are received too late):

(i) in any notice given to shareholders about a resolution to be made, state the representations that has been made by the accounting firm which is about to leave; and

(ii) attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in these Articles.

(3) If the firm's representations are not sent in accordance with paragraph (2) above, the relevant firm may require that the representations be read out at the general meeting and may lodge further complaints.

(4) An accounting firm which is leaving its post shall be entitled to attend:

(i) the general meeting relating to the expiry of its term of office;

(ii) any general meeting at which it is proposed to fill the vacancy caused by its removal; and

(iii) any general meeting convened on its resignation.

The accounting firm leaving the post shall be entitled to receive all notices of, and other communications relating to, any such meetings, and to speak at any such meeting in relation to matters concerning its role as the former accounting firm of the Company.

**Article 237** Prior to the removal or the non-reappointment of an accounting firm, notice of such removal or non-reappointment shall be given to the firm concerned and such firm shall be entitled to make representation at the general meeting. Where the accounting firm resigns from its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

- (1) Any accounting firm may resign from its office by depositing at the Company's legal residence a resignation notice which shall become effective on the date of such deposit or on such later date as may be stipulated in such notice. Such notice shall include the following:
  - (i) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company;
  - (ii) a statement of any matters of which an account should be given.
- (2) Where a notice is deposited under the paragraph (1) of this Article, the Company shall within 14 days send a copy of the notice to the competent authority. If the notice contains a representation referred to in paragraph (1) (ii) of this Article, a copy of such representation shall be announced and placed at the Company for shareholders' inspection.
- (3) Where the notice of resignation of an accounting firm contains a statement of paragraph (1) (ii) of this Article of any matters of which an account should be given, the accounting firm may require the board of directors to convene an extraordinary general meeting for the purpose of giving an explanation of the circumstances connected with its resignation.

## **Chapter 18 Merger and Division of the Company**

**Article 238** The merger or division of the Company shall be proposed by the board of directors of the Company and shall be approved in accordance with the procedures stipulated in these Articles. Approval shall also be sought as required by law. Shareholders who oppose the proposed merger or division of the Company may demand the Company or the shareholders who consent to such plan to purchase their shares at a fair price. A special document containing the Company's resolution on the merger or division shall be prepared for inspection by the shareholders.

**Article 239** The merger of the Company may take place by absorption or by the establishment of a new company.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days of the date of the Company's resolution on merger and shall make newspaper announcement within thirty days of the date of the Company's resolution on merger. The creditors may request the Company to make full repayment of their debts or to provide guarantees within thirty days from the date on which they receive the notification, or within forty-five days from the date on which the announcement is made in case of those who have not received the notification.

After the merger, credits and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.

**Article 240** When the Company is divided, its assets shall be split up accordingly.

In the event of a division of the Company, all the parties involved shall execute a division agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days of the date of the Company's resolution on division and shall make announcement in the newspaper accepted by the stock exchange on which the shares of the Company are listed within thirty days of the date of the Company's resolution on division.

The companies in existence after division shall have joint liability for the debts of the Company prior to division subject to the settlement agreement entered between the Company and its creditors before the division.

**Article 241** When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law; when the Company dissolves, the Company shall cancel its registration in accordance with the law; when a new company is established, its establishment shall be registered in accordance with the law.

## **Chapter 19 Dissolution and Liquidation of the Company**

**Article 242** The Company shall be dissolved and liquidation should be made in accordance with governing laws upon the occurrence of any of the following:

- (1) the expiration of business term stipulated in the Articles or any dissolution events as stipulated by the Articles occur;
- (2) a resolution on dissolution is passed by shareholders at general meeting;
- (3) dissolution is necessary due to a merger or division of the Company;
- (4) the business license of the Company is revoked, or the Company is ordered to close down or to be terminated;

- (5) where the Company is in serious operation or management difficulties, and its continual existence will lead to substantial losses to the benefits of the shareholders and there are no other solutions to resolve the matters, the shareholders holding 10% or above of the total voting rights of the Company may seek the dissolution of the Company from the People's Court;
- (6) other situations where the Company shall be dissolved in accordance with laws and regulations.

Where the situation set forth in paragraph (1), the Company may continue to exist by amending the Articles. Amendments to the Articles shall be passed by a vote representing more than two-thirds of the voting rights of the shareholders present at the general meeting.

**Article 243** Where the Company is dissolved under paragraphs (1), (2), (4) and (5) of the preceding Article, a liquidation committee shall be set up within fifteen days, and its members shall be determined by the board of directors or at a general meeting. In the case of failure to establish a liquidation committee according to schedule, the creditors may apply for liquidation to be carried out by a liquidation committee which is composed of members designated by the people's court.

Where the Company is dissolved under paragraph (3) or (5) of the preceding Article, the People's Court shall in accordance with the provisions of relevant laws organize the shareholders, relevant organizations and relevant professionals to establish a liquidation committee to proceed with the liquidation.

Where the Company is dissolved under paragraph (4) of the preceding Article, the relevant competent authority shall organize the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation.

**Article 244** Where the Board proposes to liquidate the Company due to causes other than where the Company has declared that it is insolvent, the Board shall include a statement in its notice convening a general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the Board is of the opinion that the Company will be able to pay its debts in full within 12 months from the commencement of the liquidation.

Upon the passing of the resolution by the shareholders in general meeting for the liquidation of the Company, all functions and powers of the Board shall cease.

The liquidation committee shall act in accordance with the instructions of the general meeting to make a report at least once every year to the general meeting on the committee's receipts and payments, the business of the Company and the progress of the liquidation and to present a final report to the general meeting on completion of the liquidation.

**Article 245** The liquidation committee shall notify creditors within ten days from the date of its establishment and publish newspaper announcements at least 3 times within sixty days. The creditors shall declare their rights to the liquidation committee within thirty days from the date on which they receive the notification, or within forty-five days from the date on which the announcement is made

in the event that such notification have not been received. Creditors' rights shall be registered by the liquidation committee in accordance with laws. During the period when creditors declare their rights, no settlement shall be made to the creditors by the liquidation committee.

**Article 246** During the liquidation period, the liquidation committee shall exercise the following functions and duties:

- (1) to ascertain the assets of the Company and separately prepare a balance sheet and an inventory of assets;
- (2) to notify creditors by sending notice or by making announcement;
- (3) to deal with and settle the outstanding business deals of the Company in relation to the liquidation;
- (4) to settle outstanding taxes and taxes arising from liquidation in full;
- (5) to ascertain all claims and debts;
- (6) to dispose of the remaining assets of the Company after the repayment of debts;
- (7) to represent the Company in any civil proceedings.

**Article 247** After checking the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit to the general meeting or the people's court for confirmation.

After a resolution on dissolution is passed by shareholders at a general meeting or the Company is declared bankrupt according to law or it is ordered to close down, no one is allowed to dispose of the assets of the Company without the permission of the liquidation committee.

The assets of the Company shall be applied in the following order: payment of the settlement expenses, salary of the staff members of the Company, social security insurance expense and the statutory compensations, outstanding taxes and debts of the Company.

Any surplus assets of the Company remaining after its debts have been repaid in accordance with the provisions of the preceding paragraph shall be distributed to its shareholders according to the class of shares and the proportion of shares held.

During the liquidation period, the Company shall not commence any business activities irrelevant to liquidation.

**Article 248** In the event of the liquidation of the Company owing to dissolution, if the liquidation committee, after ascertaining the assets of the Company and preparing a balance sheet and an inventory of assets, discovers that the assets of the Company are insufficient to repay its debts, it shall immediately apply to the People's Court for declaration of bankruptcy.

After the Company is declared bankrupt by a ruling of the People's Court, the liquidation committee shall transfer the liquidation matters to the People's Court.

**Article 249** Following the completion of liquidation, the liquidation committee shall prepare a report on liquidation and a statement of the receipts and payments and the financial accounts for the period of the liquidation which shall be audited by PRC certified public accountants and then submitted to the general meeting or the people's court for confirmation.

The liquidation committee shall, within thirty days after the date of the general meeting or the affirmation from the people's court, submit the aforementioned documents to the company registration authorities for cancellation of the registration of the Company and announces that the Company ceases to exist.

**Article 250** The members of the Liquidation Committee shall be devoted to their duties and perform their liquidation obligations in accordance with law.

Members of the Liquidation Committee shall not accept any bribes or any other illegal income by making use of his functions and powers nor may he seize any assets of the Company.

Members of the Liquidation Committee shall be responsible for compensation should he deliberately or through material negligence cause losses to the Company or to creditors.

**Article 251** If the Company is declared insolvent pursuant to law, insolvent liquidation shall be proceeded in accordance with laws regarding enterprise insolvency.

## **Chapter 20 Procedures for Amendment of the Company's Articles of Association**

**Article 252** The Company may, pursuant to the laws, regulations and these Articles of Association, amend these Articles.

**Article 253** Amendments to these Articles adopted by general meeting shall be approved by the competent authority and shall be registered in accordance with the laws if so required.

**Article 254** The Company shall amend these Articles under any of the following circumstances:

- (1) any of these Articles are in conflict with the revised laws or regulations;
- (2) particulars of the Company recorded in these Articles change;

(3) the general meeting has resolved to amend these Articles.

**Article 255** The board of directors shall amend these Articles in accordance with the resolutions of the general meeting and the approval of the competent authority.

**Article 256** Amendments to these Articles shall be disclosed if so required by laws, regulations or the listing rules of the place on which the Company's shares are listed.

## **Chapter 21 Notice(s)**

**Article 257** If a notice is issued by the Company to the shareholders of overseas listed foreign shares by way of announcement, the Company shall on the same day submit an electronic version of such announcement to the Hong Kong Stock Exchange through the electronic publishing system of the Hong Kong Stock Exchange for immediate release on the website of the Hong Kong Stock Exchange in accordance with the requirements of the local listing rules. Such announcement shall also be published on the website of the Company at the same time.

**Article 258** For a notice of the Company delivered by hand, the addressee shall sign (or stamp) on the receipt of the delivery, and the date of acknowledgement of receipt signed by the addressee shall be deemed as the date of delivery; where a notice of the Company is sent by post, the expiration of three working days after the notice is delivered to post office shall be deemed as the date of delivery; where a notice of the Company is made via announcement, the date on which the announcement is published for the first time shall be deemed as the date of delivery.

**Article 259** The accidental omission to give a notice of a meeting to or the non-receipt of notice of a meeting by any person who is entitled to receive the notice shall not invalidate the meeting and the resolutions passed at such meeting.

## **Chapter 22 Settlement of Disputes**

**Article 260** Unless otherwise agreed, the Company shall settle disputes in the following manners:

(1) Disputes or claims between (i) holders of the overseas listed foreign shares and the Company, (ii) holders of the overseas listed foreign shares and the Company's directors, supervisors, senior management, (iii) holders of the overseas listed foreign shares and holders of domestic shares (iv) in relation to the rights or obligations concerning the affairs of the Company conferred or imposed by these Articles, the *Company Law* or any other relevant laws and regulations shall be settled by the relevant parties through arbitration.

Where a dispute or claim is submitted for arbitration, the entire claim or dispute shall be submitted for arbitration and any person (being the Company or its shareholder, director, supervisor, senior management) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim shall abide by the arbitration.

Disputes in relation to the identification of shareholders and the register of shareholders need not be referred to arbitration.

- (2) A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.

- (3) If any disputes or claims prescribed in clause (1) above are referred to arbitration, the laws of the People's Republic of China shall apply, save as otherwise provided in laws and regulations.
- (4) The award of an arbitration body shall be final and conclusive and binding on all parties.
- (5) The said arbitration agreement is reached between the directors or senior management and the Company, with the Company representing both itself and its shareholders.
- (6) Any arbitration submitted shall be deemed as authorising the arbitration tribunal to conduct public hearing and announce the arbitration award.

## **Chapter 23 Supplementary Provisions**

### **Article 261** Definitions:

- (1) A controlling shareholder refers to any shareholder specified in Article 62 of these Articles.
- (2) A de facto controller refers to the person who is not a shareholder of the Company but is able to exercise control over the acts of the Company through an investment relationship, agreement or other arrangement.
- (3) Related relationship refers to the relationship between the controlling shareholders, de facto controllers, directors, supervisors or senior management and enterprises under their direct or indirect control, and any other relationship that may lead to the transfer of any interests in the Company under the listing rules of place(s) where the Company's shares are listed. However, relationship between state-owned enterprises shall not be deemed as related relationship solely because they are under common control of the government.
- (4) Related party transaction shall have the meaning ascribed to it under the listing rules of place(s) where the Company's shares are listed.



- (5) A Business Day refers to a business day in both Hong Kong and China. A business day in Hong Kong refers to any day on which the Hong Kong Stock Exchange is open for the dealing in securities. A business day in China refers to any day on which banks in China are open for business to public and which is not a Saturday, Sunday or any other statutory public holidays set by the PRC government.
- (6) “Four positions” and “Six first-class” respectively refer to the practitioner of national strategy, the pioneer of energy revolution, the executor of high-quality development, the builder of better lifestyle, the first-class energy integration solution provider, the first-class general contractor, the first-class infrastructure investor, the first-class comprehensive treatment provider of ecological environment, the first-class comprehensive urban development operator and the first-class provider of building materials, industrial products and equipment.

**Article 262** The reference of “senior management” in these Articles refers to general manager, vice general manager, chief accountant, chief legal advisor, secretary to the board of directors and other senior management appointed by the board of directors.

**Article 263** “Accounting firm”, “related” and “related party” in these Articles shall have the same meaning as “auditors”, “connected” and “connected person” as defined in the Hong Kong Listing Rules.

**Article 264** These Articles are written in Chinese. In case of any discrepancy between these Articles and the Articles of Association in any other languages or among different versions of these Articles, the latest Chinese version verified by and filed with the company registration authority shall prevail. In case of any discrepancy between the Chinese version and versions in any other language, the Chinese version shall prevail.

**Article 265** For the purpose of these Articles, the terms “not less than”, “within” and “not more than” shall include the number itself, while the terms “more than” and “beyond” shall not include the number itself.

**Article 266** Appendixes to the Articles include the procedural rules of shareholders’ general meetings, the procedural rules of board of directors and the procedural rules of the Board of Supervisors.

**Article 267** Any matters not covered in the Articles or any conflicts between the Articles and laws, regulations, regulatory documents, the listing rules of the place where the Company’s shares are listed, shall be dealt with in accordance with such laws, regulations, regulatory documents, the listing rules of the place(s) where the Company’s shares are listed. In case there are different requirements in the regulatory rules of the place(s) where the Company’s shares are listed, they shall be implemented in accordance with the relevant rules of the place(s) where the Company’s shares are listed.

**Article 268** The Articles shall be formulated, interpreted and amended by the Board, proposed by the Board and submitted to the general meeting for approval.