

CHINA INTERNATIONAL MARINE CONTAINERS (GROUP) CO., LTD.

ARTICLES OF ASSOCIATION

(Considered and approved at each of the 2023 annual general meeting,
the first class meeting of A shareholders for 2024 and the first class meeting of
H shareholders for 2024 held on 26 June 2024)

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Chapter 1 General Provisions

Article 1 These Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (“**PRC**”) (hereinafter referred to as the “**Company Law**”), the Securities Law of the PRC (hereinafter referred to as the “**Securities Law**”), the Guidelines for Articles of Association of Listed Companies, the Interim Measures for the Administration of Overseas Securities Offering and Listing by Domestic Enterprises, the Rules Governing the Listing of Stocks on the Shenzhen 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**”) and other relevant requirements with an aim to safeguard the legal interests of the Company, its shareholders and creditors and regulate the organization and conduct of the Company.

Article 2 The Company is a joint stock limited company incorporated in accordance with the Company Law and other applicable laws and administrative rules of the PRC (hereinafter referred to as the “**Company**”).

The Company underwent a reorganization on 1 December 1992 after obtaining approval (by document Shen Fu Ban Fu 1992 No. 1736) from the General Office of Shenzhen Municipal People’s Government, thereby the Company was transformed into a joint-stock company with limited liability and its shares were issued to China Ocean Shipping (Group) Company, China Merchants Group Limited and The East Asiatic Company Ltd. (all being promoters) by way of private placement. The Company applied for change of registration with the Shenzhen Administration for Industry and Commerce and obtained relevant business license. The Company currently holds a business license with the unified social credit code of 91440300618869509J.

The following table sets forth the name, number of shares held and percentage of shareholdings by the promoter-shareholders of the Company as at the date of its establishment:

Name of shareholder	Number of shares held <i>(ten thousand shares)</i>	Percentage of shareholdings <i>(%)</i>
China Ocean Shipping (Group) Company	2,620.8	40.95
China Merchants Group Limited	2,620.8	40.95
The East Asiatic Company Ltd.	582.4	9.10

Article 3 On 17 January 1994, as approved by the Securities Administration Office of Shenzhen, the Company made an initial public offering of 25,000,000 RMB-denominated ordinary shares, of which 12,000,000 domestic shares were offered to domestic investors for subscription in RMB and listed on Shenzhen Stock Exchange on 8 April 1994, and the remaining 13,000,000 domestic-listed foreign-invested shares were offered to foreign investors for subscription in foreign currencies and listed on Shenzhen Stock Exchange on 23 March 1994.

On 19 December 2012, as resolved at the shareholders' general meeting of the Company and authorized by China Securities Regulatory Commission (the "CSRC") and approved by The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), the 1,430,480,509 domestic-listed foreign-invested shares of the Company were fully converted into overseas-listed foreign-invested shares and listed and traded on the Main Board of the Hong Kong Stock Exchange.

Article 4 Registered name of the Company
Chinese name: 中國國際海運集裝箱(集團)股份有限公司
English name: China International Marine Containers (Group) Co., Ltd.

Article 5 Company address and means of communication: 8th Floor, CIMC R&D Center, No. 2 Gangwan Avenue, Shekou Industrial Zone, Nanshan District, Shenzhen, postal code: 518067. Telephone: (86 755) 2669 1130 and Facsimile: (86 755) 2682 6579.

Article 6 The registered capital of the Company is RMB5,392,520,385.

- Article 7** The Company is a joint stock limited company with perpetual succession.
- Article 8** Chairman of the Board of Directors is the legal representative of the Company.
- Article 9** All assets of the Company shall be divided into shares of equal value. Shareholders shall be liable to the Company to the extent of the shares they subscribed. The Company shall be liable for its debts to the extent of all its assets.
- Article 10** From the effective date onwards, these Articles of Association shall be a legally binding document governing the Company’s organization and conduct, and the rights and obligations between the Company and its Shareholders, and among the Shareholders, and shall be binding on the Company, its Shareholders, Directors, Supervisors, President and other senior management personnel. Shareholders may take legal actions against other Shareholders or the Directors, Supervisors, President and other senior management personnel of the Company; Shareholders may take legal actions against the Company and vice versa, the Company may take legal actions against the Directors, Supervisors, President and other senior management personnel pursuant to these Articles of Association.
- The legal actions as mentioned in the preceding clause include lawsuits lodged with courts or claims referred to arbitration.
- Article 11** Other senior management personnel defined in these Articles of Association refers to the Vice President, Board Secretary, Chief Financial Officer, Chief Compliance Officer and Chief Legal Counsel of the Company and other senior management personnel as stipulated in the Articles of Association.
- The Chief Compliance Officer coordinates the management of compliance risk control within the Group.
- Article 12** In accordance with the Constitution of the Communist Party of China (hereinafter referred to as the “**Party Constitution**”), the Company Law and other relevant requirements, the Company has established an organization of the Communist Party of China. The working organs of the Party shall be established and equipped with staff to deal with Party affairs and carry out Party activities.

Chapter 2 Objectives and Scope of Business

Article 13 The Company's objectives of business are: to provide the logistics and energy industries with high quality and reliable equipment and services in the global market, provide the shareholders and employees of the Company with good returns and create sustainable values for society.

Article 14 As legally registered with the Market Supervision Administration of Shenzhen Municipality, the Company's scope of business includes: container manufacture and repair and related businesses, processing and manufacture of various parts, structural components and relevant equipment by using existing equipment of the Company, as well as provision of the following processing services: cutting, press forming, riveting, surface treatment (including sandblast painting, welding and assembly) and container leasing.

Chapter 3 Shares

Section 1 Issuance of Shares

Article 15 The shares of the Company are issued in the form of share certificates. There shall, at all times, be ordinary shares in the Company. The ordinary shares issued by the Company include domestic-invested shares and foreign-invested shares. Subject to the relevant requirements, the Company may create other classes of shares as and when necessary.

Article 16 The issuance of shares by the Company shall adhere to the principles of openness, fairness and justice. Shares of the same class shall rank pari passu with each other.

Share certificates of the same class issued at the same time shall have the same terms of issuance and issue price; any entity or person shall pay the same amount for each of the shares they subscribe.

Article 17 Share certificates issued by the Company are denominated in RMB with a par value of RMB1 each.

RMB as mentioned in the preceding clause refers to the lawful currency of the People's Republic of China.

Article 18

Subject to the registration or filing with the CSRC or other relevant security regulatory authorities, the Company may issue shares to both domestic investors and foreign investors.

“Foreign investors” referred to in the preceding clause represent investors domiciled in foreign countries and Hong Kong, Macau and Taiwan who subscribe for the issued shares of the Company; “domestic investors” refer to investors within the territory of the People’s Republic of China (other than the foregoing regions) who subscribe for the issued shares of the Company.

Shares issued by the Company to the domestic investors for subscription in RMB shall be referred to as “domestic shares” (A Shares). Shares issued by the Company to foreign investors and domestic natural persons who meet particular conditions for subscription in foreign currencies shall be referred to as “foreign-invested shares”. Foreign-invested shares listed domestically shall be referred to as “domestic-listed foreign-invested shares” (B Shares). Foreign-invested shares listed overseas shall be referred to as “overseas-listed foreign-invested shares”. Overseas-listed foreign-invested shares of the Company listed on the Hong Kong Stock Exchange shall be referred to as “H Shares”. The domestic-invested shares and the H Shares are not regarded as different classes of shares unless otherwise provided for in the applicable laws and regulations and/or the relevant listing rules.

Holders of domestic-invested shares and holders of foreign-invested shares are both holders of ordinary shares, and shall enjoy equal rights and assume equal obligations.

“Foreign currencies” referred to in the preceding clause represent legal currencies of other countries and regions (excluding RMB) which are recognized by national foreign exchange authorities and can be used for the payment of monies to the Company.

Article 19

All domestic-invested shares issued by the Company are deposited with Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. H Shares of the Company are mainly deposited with Hong Kong Securities Clearing Company Limited.

Article 20 After the inception of the Company, a total of 2,598,396,051 ordinary shares have been issued, including 1,167,915,542 domestic-listed domestic-invested shares and 1,430,480,509 domestic-listed foreign-invested shares.

As approved by a special resolution passed at the shareholders' general meeting and authorized by the CSRC, the Company's domestic-listed foreign-invested shares were migrated to and listed on the Hong Kong Stock Exchange by way of introduction and traded as overseas-listed foreign-invested shares.

Following the aforesaid domestic-listed foreign-invested shares migrated to and listed on The Stock Exchange of Hong Kong Limited by way of introduction and traded as overseas-listed foreign-invested shares, the Company's share capital consists of 2,662,396,051 ordinary shares, among which 1,430,480,509 shares are held by holders of overseas-listed foreign-invested shares (H Shares) and 1,231,915,542 shares are held by holders of domestic-listed domestic-invested shares, representing 53.73% and 46.25% of the total number of issued ordinary shares of the Company respectively.

As of 18 August 2022, under the shareholding structure of the Company, there are 5,392,520,385 ordinary shares, including 2,302,682,490 domestic-listed domestic-invested shares and 3,089,837,895 overseas-listed foreign-invested shares (H Shares), representing 42.70% and 57.30% of the total number of issued ordinary shares of the Company respectively.

Article 21 The Board of Directors of the Company may arrange separate implementations of the plans for the issuance of overseas-listed foreign-invested shares and domestic-invested shares approved by the CSRC.

Article 22 The Company or its subsidiaries (including associated entities of the Company) shall not, by way of a gift, advance, guarantee, compensation, loans or otherwise, provide any financial assistance to a person who purchases or intends to purchase its own shares, except as otherwise provided in the laws and regulations.

Section 2 Change in Capital and Repurchase of Shares

Article 23

The Company may increase its capital in line with the needs for operations and development according to laws, administrative regulations and these Articles of Association after respective resolutions are passed at a shareholders' general meeting and procedures required by national laws and administrative regulations are completed by the following methods:

- (1) public offering of shares;
- (2) non-public offering of shares;
- (3) distribution of bonus shares to existing shareholders;
- (4) increase in capital by transfers from reserves;
- (5) other methods approved by laws, administrative regulations and the CSRC.

Article 24

Pursuant to the Company Law and other relevant requirements as well as provisions of these Articles of Association, the Company may reduce its registered capital.

Any reduction of the Company's registered capital shall be conducted in accordance with the procedures stipulated in the Company Law and other relevant provisions as well as provisions of these Articles of Association.

When the registered capital of the Company is reduced, a balance sheet and a list of assets shall be prepared.

The Company shall notify its creditors within ten days from the date of passing the resolution for reduction of registered capital and shall publish announcements in one or more newspaper(s) designated by the CSRC within 30 days. A creditor shall have the right within thirty days from the receipt of a written notice or, for those who have not received a written notice, within forty-five days from the date of the announcement, to require the Company to repay its debts or to provide a corresponding debt repayment guarantee.

Article 25

The Company may not repurchase its own shares, save as under one of the following circumstances:

- (1) it reduces its registered capital;
- (2) it merges with another company that holds shares of the Company;
- (3) utilising its shares in the employee share ownership scheme or for share incentive;
- (4) shareholders require the Company to purchase their shares because of their objection to the resolution made at a shareholders' general meeting on the merger or division of the Company;
- (5) utilising the shares for conversion to 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.

Any acquisition of the shares of the Company under provisions set out in Clauses (1) and (2) referred to above shall be resolved at a shareholders' general meeting; any acquisition of the shares of the Company under provisions set out in Clauses (3), (5) and (6) referred to above could be resolved by the Board's meeting where over two-thirds of the directors are present, according to the provisions of these Articles of Association or the authority granted by the shareholders' general meeting.

If the Company acquires its own shares, it shall fulfil its disclosure obligation as required under the Securities Law and other relevant regulations of the place where the shares of the Company are listed.

Article 26

If the Company acquires its own shares, the transaction shall be carried out in an open and centralized manner or by other means as permitted by the laws, administrative regulations and the relevant regulatory authority of the place where the shares of the Company are listed.

If the Company acquires its own shares under provisions set out in Clauses (3), (5) and (6) of Article 25 herein, the transaction shall be carried out in an open and centralized manner.

Article 27 The Company shall obtain prior approval at a shareholders' general meeting in accordance herewith if it repurchases shares through over-the-counter agreement. If the prior approval is granted by the shareholders' general meeting in the same way, the Company may terminate or alter the contract concluded in the way referred to above or waive any of its rights therein.

For the purposes of the preceding clause, the term "contract for the repurchase of shares" shall include (but not limited to) an agreement to undertake the obligations for the repurchase of shares and obtain the rights to repurchase shares.

No contracts for the repurchase of the shares of the Company or any rights thereunder shall be assigned by the Company.

Article 28 The shares so repurchased shall be cancelled or transferred within a period stipulated by relevant laws and administrative regulations. If shares were cancelled, the Company shall notify the original registration authority and apply to change its registered capital.

The shares repurchased under provisions set out in Clause (1) of Article 25 shall be cancelled within ten days from the date of repurchase; those repurchased under provisions set out in Clauses (2) and (4) shall be transferred or cancelled within six months; those repurchased under provisions set out in Clauses (3), (5) and (6), the total shares of the Company held by the Company itself shall not exceed 10% of its total shares in issue and shall be transferred or cancelled within 3 years.

The aggregate par value of the cancelled shares shall be deducted from the registered capital of the Company. If the rules of the stock exchange(s) where the shares of the Company are listed provide otherwise, such rules shall prevail.

Section 3 Transfer of Shares

Article 29 Unless otherwise required by laws, administrative regulations and the securities regulatory bodies in the jurisdictions where the shares of the Company are listed, the shares of the Company may be lawfully transferred.

Article 30 The Company shall not accept the shares of the Company as the subject of pledges.

Article 31 The Director, Supervisor, President and other senior management personnel of the Company shall notify the Company of his/her shareholding in the Company and the movements of these shares, and each year during their term of office shall not transfer more than 25% of such shares. These shares shall not be transferred within one year from the date the Company's shares are listed. The aforesaid persons are forbidden to transfer his/her shareholding in the Company within six months after termination of employment, save for as demanded by a court order.

Article 32 When the Directors, Supervisors, President and other senior management personnel of the Company or shareholders holding more than 5% of the shares of the Company sell their shares or other securities with equity interest within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the Board of Directors of the Company shall repatriate any profits derived from such dealings and the profits derived shall be vested in the Company. However, securities companies holding over 5% of the shares of the Company as a result of taking up unacquired shares underwritten and other circumstances provided by the CSRC are exempt from such requirement.

Shares or other securities with equity interest held by Directors, Supervisors, senior management personnel, natural person shareholders referred to in the paragraph above, including shares or other securities with equity interest held by their spouse, parents, children in their own name and under others' account.

Shareholders may require the Board of Directors to comply with the requirement set out in the preceding clause within 30 days if the Board of Directors fails to do so. In the event that the Board of Directors fails to rectify the situation within the said timeline, shareholders may file a legal action to the court in their own name for safeguarding the interests of the Company.

If the Board of Directors of the Company fails to comply with the first clause, relevant responsible Directors shall bear joint liability.

Chapter 4 Share Certificates and Register of Members

Article 33 Share certificates of the Company shall be in registered form.

In addition to providing information required by the Company Law, share certificates of the Company shall also contain any other data specified by the stock exchanges where the shares of the Company are listed.

Article 34 Share certificates shall be signed by the legal representative. In the event that the stock exchanges on which the shares of the Company are listed require the signatures of other senior management personnel of the Company, the share certificates shall be signed by such other relevant senior management personnel. Share certificates shall take effect after being affixed or printed with the Company seal. The affixture of the Company seal shall be authorized by the Board of Directors. The signatures of the legal representative or other senior management personnel of the Company on the share certificates may take the printed form.

The paperless trading of the Company's shares is subject to the requirements of security regulatory authorities of the places where the shares of the Company are listed.

Article 35 The Company shall create a register of members based on the evidence provided by a securities registry to record the following particulars:

- (1) the name, address (residence), occupation or type of each shareholder;
- (2) the class and number of shares held by each shareholder;
- (3) the amount paid or payable for the shares held by each shareholder;
- (4) the serial numbers of the shares held by each shareholder;
- (5) the date of registering as a shareholder by each shareholder;
- (6) the date of terminating as a shareholder by each shareholder;

- (7) the restrictions such as pledge, freezing and other prohibition imposed on shares held by shareholders.

The register of members shall be sufficient evidence substantiating that the shareholders hold the shares of the Company, unless there is evidence to the contrary.

Article 36

The Company may, in accordance with the understanding or agreement reached between the CSRC and the local securities regulatory bodies at the place of overseas listing, keep the original register of holders of overseas-listed foreign-invested shares at the location where such shares were listed, and may appoint a local foreign agency at the place of overseas listing to manage it. The original register of holders of Hong Kong-listed foreign-invested shares shall be kept in Hong Kong. A copy of the register of holders of overseas-listed foreign-invested shares shall be made available at the Company's domicile; the appointed local foreign agency at the place of overseas listing shall at any time ensure the original and the copy of the register of holders of overseas-listed foreign-invested shares are consistent.

In the event that the records in the original and the copy of the register of holders of overseas-listed foreign-invested shares are inconsistent, the original shall prevail.

Article 37

The Company shall maintain a complete register of members.

A register of members shall include the following parts:

- (1) a register of members, other than those prescribed in (2) and (3), kept at the Company's domicile;
- (2) the Company's register of holders of overseas-listed foreign-invested shares kept at the location of the stock exchange on which such shares are listed;
- (3) a register of members, which the Board of Directors has decided that it shall be kept in other places for the needs of the listing of the shares of the Company.

Article 38

Each section of the register of members shall not overlap each other. In the event that the shares registered in a section of the register of members are transferred, they may not be registered to other sections of the register of members during the period of the registration.

All overseas-listed foreign-invested shares listed in Hong Kong, if they are fully paid-up, may be freely transferred pursuant to these Articles of Association. However, unless such transfer complies with the following requirements, the Board of Directors may refuse to recognize any instrument of transfer without providing any reason:

- (1) the instrument of transfer and other documents, which are related to and may affect the ownership of any registered securities, shall be registered, and a fee or such higher amount as agreed by the Hong Kong Stock Exchange shall be paid to the Company in accordance with the relevant rules of Hong Kong for the registration of any instrument of transfer or other documents relating to or affecting the ownership of the shares;
- (2) the instrument of transfer is only related to Hong Kong-listed foreign-invested shares;
- (3) a payable stamp duty has been paid for the transfer instrument;
- (4) the related share certificates and other evidence, as reasonably requested by the Board of Directors, on the shares which the transferor has the right to transfer have been submitted;
- (5) the number of joint holders shall not exceed four in case shares are transferred to joint holders; and
- (6) the shares are free from any lien of the Company.

Alteration or rectification of any part of the register of members shall be made in accordance with the laws of the jurisdiction where that part of the register of members is maintained.

Article 39 Where PRC laws and regulations and the Hong Kong Listing Rules stipulate on the period of closure of the register of members 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 40 In the event that any person has an objection to the register of members and asks for registering his/her name in or removing his/her name from, the register of members, he/she may apply to a court of competent jurisdiction for correcting the register of members.

In the event that the Company refuses to register the transfer of shares, the Company shall give a notice regarding the refusal of share transfer to the transferor and transferee within two months from the date the application regarding the transfer of shares is received.

Article 41 For any shareholder who is registered in the register of members or any person who asks for registering his/her name in the register of members, if his/her share certificates (i.e. “**original share certificates**”) are lost, he/she may apply to the Company for issuing duplicate share certificates in respect of those shares (the “**underlying shares**”).

Application by a holder of domestic-invested shares for issuance of a duplicate share certificate due to loss of the same shall be dealt with pursuant to the relevant requirements of the Company Law.

In the event that a holder of overseas-listed foreign-invested shares has lost his/her share certificates and applies for issuing duplicate share certificates, he/she shall handle the matter in accordance with the laws of the place where the original register of holders of overseas-listed foreign-invested shares is maintained, the rules of the stock exchange or other relevant stipulations.

Application for replacement of lost share certificates made by a holder of overseas-listed foreign-invested shares of a Hong Kong-listed company shall be subject to the following requirements:

- (1) the applicant must file an application in the standard format designated by the Company and attach a notarial certificate or a statutory declaration document. The notarial certificate or statutory declaration document must contain particulars such as the reasons of the applicant for the application, details of the lost share certificates and evidence thereon as well as a statement setting out that there are no any other persons who may ask for registering as shareholders in respect of the underlying shares.

- (2) before the Company decides to issue duplicate share certificates, it has not received any statement from any persons other than the applicant requesting for registering as shareholders of those shares.
- (3) after the Company decides to issue duplicate share certificates to the applicant, it shall publish an announcement in the newspapers designated by the Board of Directors on its preparations to issue duplicate share certificates for a period of ninety days. The announcement shall be republished at least once every 30 days. The newspapers designated by the Board of Directors shall be Chinese and English language newspapers (at least one of each of them) published in Hong Kong.
- (4) before the Company publishes an announcement on its preparations to issue duplicate share certificates, it shall submit a copy of the announcement to the stock exchange on which it is listed, and may immediately publish it after receiving a reply from the stock exchange confirming that the announcement has been posted on the stock exchange. The announcement shall be posted on the stock exchange for a period of ninety days.

In the event that an application for the issuance of duplicate share certificates is not approved by the shareholder of the underlying shares recorded in the register, the Company shall mail a copy of the announcement to be published to the shareholder.

- (5) upon expiry of the period of ninety days for the publication of the announcement prescribed in (3) and (4) hereof, the Company may issue duplicate share certificates based on the application made by the applicant in the event that it has not received any objection from any person to the issuance of duplicate share certificates.
- (6) when the Company issues duplicate share certificates hereunder, it shall immediately cancel the original share certificates, and have the cancellation and replacement recorded in the register of members.
- (7) all expenses of the Company incurred from the cancellation of the original share certificates and issuance of duplicate share certificates shall be borne by the applicant. The Company has the right to refuse to take any action unless the applicant provides reasonable security.

Article 42 After the Company issues duplicate share certificates in accordance with the requirements hereof, the name of the bona fide purchaser who has obtained such duplicate share certificates or the shareholder subsequently registered as the owner of such duplicate share certificates (in the case of bona fide purchaser) may not be removed from the register of members.

Article 43 The Company shall not be under any obligations to compensate any person who incurs damages as a result of the cancellation of the original share certificates or the issuance of the duplicate share certificates, unless the person can prove that the Company has fraudulent conduct.

The joint holders of any shares shall jointly or severally assume the liability to pay for all amounts payable for the relevant shares. In the event that one of the joint holders has passed away, only the surviving joint shareholder(s) shall be deemed by the Company to have the ownership of the underlying shares. However, the Board of Directors has the right to require such surviving persons to provide a death certificate as deemed appropriate by the Board of Directors for the purpose of amending the register of members; in respect of the joint holders of any shares, only the joint holder who stands first on the register of members has the right to take over the share certificates of the underlying shares from the Company, receive notices from the Company, attend shareholders' general meetings of the Company and exercise the voting rights. Any notices served to the aforesaid person shall be deemed to have been served to all joint holders of the underlying shares.

Chapter 5 Shareholder and Shareholders' General Meeting

Section 1 Shareholder

Article 44 A shareholder of the Company is a person who lawfully holds shares in the Company and whose name is recorded in the register of members.

A shareholder shall enjoy rights and assume obligations according to the class of shares held by him/her; shareholders who hold existing shares of the same class shall enjoy the equal rights and assume the equal obligations.

In the event that any shareholder is a legal person, its legal representative or proxy thereof or (in the event that the shareholder is a recognised clearing house ("**Recognised Clearing House**") (or other person appointed by it)) the representative or principal of the Recognised Clearing House shall exercise its rights on its behalf.

Article 45

When the Company needs to confirm the identity of shareholders for holding a shareholders' general meeting, distributing dividends, conducting liquidation and engaging in other acts, the Board of Directors or the convenor of the shareholders' general meeting shall determine the record date. Shareholders registered in the register of members after close of market on the record date shall be those shareholders entitled to the relevant rights and interests of shareholders of the Company.

Article 46

A shareholder of the Company shall be entitled to the following rights:

- (1) receive dividends and benefit distributions in other forms according to the portion of shares he/she holds;
- (2) make a request to, convene, preside over and attend or appoint a proxy to attend a shareholders' general meeting, and exercise the corresponding voting rights in accordance with the law;
- (3) carry out supervision of the Company's operations, and make recommendations or raise questions;
- (4) transfer, grant or pledge the shares he/she holds in accordance with the laws, administrative regulations and the provisions hereof;
- (5) access relevant information in accordance with the provisions hereof, including:
 1. obtaining these Articles of Association upon payment of cost expenses;
 2. upon payment of a reasonable fee, having the right to gain access to and make copies of:
 - (1) all parts of the register of members;
 - (2) details of the issued share capital of the Company;
 - (3) the latest audited financial statements and the reports of the Directors, auditors and Supervisors of the Company;

- (4) minutes of shareholders' general meetings (for inspection by shareholders only);
- (5) the counterfoils of corporate bonds, resolutions of the Board of Directors, resolutions of the Supervisory Committee as well as financial and accounting reports;

The Company shall make the relevant documents available at the Company's place of business in Hong Kong pursuant to the requirements of the Hong Kong Listing Rules for inspection by the public and shareholders.

- (6) participation in the distribution of surplus property of the Company according to the portion of shares he/she holds at the time when the Company ceases operation or goes into liquidation;
- (7) those shareholders who object to a resolution made at a shareholders' general meeting on the merger or division of the Company request the Company to purchase their shares;
- (8) legal actions lodged with the People's Court against infringement of the Company's interests and shareholders' lawful rights in accordance with the Company Law or other laws, administrative regulations and departmental rules and regulations, and laying claim to such interests and rights;
- (9) other rights conferred by laws, administrative regulations, departmental rules or these Articles of Association.

Article 47

In the event that a shareholder wants to access the relevant information as described in the preceding article, or to obtain information, he/she shall provide a written document to the Company proving the class and number of shares of the Company he/she holds. Such information shall be provided to the shareholder at his/her request after the Company verifies the identity of the shareholder.

Article 48

In the event that the particulars of a resolution passed at a shareholders' general meeting or a Board meeting are in violation of laws or administrative regulations, the shareholders shall have the right to petition a court to establish such particulars as invalid.

In the event that the procedures for convening a shareholders' general meeting or a Board meeting, or the voting methods thereof are in violation of laws, administrative regulations or these Articles of Association, or the particulars of a resolution are in violation hereof, the shareholders shall have the right to petition a court to make revocation within sixty days from the date of the resolution.

Article 49

In the event that a director or a senior management personnel violates laws, administrative regulations or these Articles of Association when performing his/her duties for the Company, thus causing losses to the Company, the shareholders who either alone or jointly have been holding more than 1% of shares of the Company for one hundred and eighty consecutive days or more shall have the right to request in writing the Supervisory Committee to lodge legal actions with the People's Court. In the event the Supervisory Committee to violates laws, administrative regulations or these Articles of Association when executing its duties for the Company, thus causing losses to the Company, shareholders may request in writing the Board of Directors to lodge legal actions with the People's Court.

In the event that the Supervisory Committee or the Board of Directors refuses to take legal action upon receipt of the request in writing from the shareholders as prescribed in the preceding clause, or does not take legal action within thirty days of receiving such a request, or any emergency or failure to take immediate legal action will cause irreparable damage to the interests of the Company, the shareholders prescribed in the preceding clauses shall have the right to lodge legal actions with the People's Court in their own names in the interests of the Company.

In the event that some other persons infringe the legitimate rights and interests of the Company, thus causing losses to the Company, the shareholders prescribed in the first clause of this Article may lodge legal actions with the People's Court in accordance with the provisions of the preceding two clauses.

Article 50 In the event that a director or a senior management personnel violates laws, administrative regulations or these Articles of Association, thus causing damage to the interests of shareholders, the shareholders may lodge legal actions with the People's Court.

Article 51 A shareholder of the Company shall undertake the following obligations:

- (1) Comply with laws, administrative regulations and these Articles of Association;
- (2) pay equity capital according to his/her shares subscribed and the method of equity capital injection;
- (3) may not withdraw equity shares unless provided by laws or administrative regulations;
- (4) may not abuse the rights of a shareholder to prejudice the interests of the Company or other shareholders; may not abuse the Company's independent status of legal person and shareholders' limited liability to prejudice the interests of the Company's creditors;
- (5) other obligations to be undertaken as prescribed by laws, administrative regulations and these Articles of Association.

In the event that a shareholder abuses his/her rights, thus causing losses to the Company or other shareholders, he/she shall be liable for compensation in accordance with the laws.

In the event that a shareholder of the Company abuses the Company's independent status of legal person and shareholders' limited liability to evade debts, thus seriously prejudicing the interests of the Company's creditors, he/she shall be jointly and severally liable for the Company's debts.

Save for the conditions agreed by a subscriber for shares during the subscription, shareholders shall not be liable for any subsequent contribution of additional share capital.

Article 52 In the event that a shareholder holding more than 5% of the voting shares of the Company pledges the shares he/she holds, he/she shall report to the Company in writing on the date of making the pledge.

Article 53 The controlling shareholders and de facto controllers of the Company shall not prejudice the Company's interests by taking advantage of their connections. They shall be liable for compensation for losses caused to the Company as a result of their violation.

The controlling shareholders and de facto controllers of the Company shall have an obligation of good faith towards the Company and public shareholders. The controlling shareholders shall exercise the rights of an investor in strict compliance with the law. They may not prejudice the legitimate rights and interests of the Company and public shareholders by means of connected transactions, distribution of profits, restructuring of assets, foreign investment, appropriation of funds, loan guarantees and other means, and they may not prejudice the interests of the Company and public shareholders by taking advantage of their controlling position.

Article 54 In addition to the obligations required under laws, administrative regulations or the listing rules of the stock exchange on which the shares of the Company are listed, the controlling shareholders, in the exercise of their powers, may not make any decision on the following issues to jeopardize the interests of all or some of shareholders as a result of exercising their rights to vote:

- (1) removing a Director or Supervisor to reflect, in good faith, the responsibility of doing so in the best interests of the Company as a starting point;
- (2) approving a Director or Supervisor (for his/her own or others' benefits) of depriving the property of the Company in any way, including (but not limited to) any opportunity beneficial to the Company;
- (3) approving a Director or Supervisor (for his/her own or others' benefits) of depriving the personal rights and interests of other shareholders, including (but not limited to) any distribution rights and voting rights, but excluding corporate restructuring submitted to a shareholders' general meeting for approval in accordance herewith.

Article 55

The “controlling shareholder” referred to herein means a person who satisfies one of the following conditions:

- (1) a person who, acting alone or in concert with others, has the power to elect more than half members of the Board of Directors;
- (2) a person who, acting alone or in concert with others, has the power to exercise 30% or more of the voting right of the Company or control the exercise of 30% or more of the voting right of the Company;
- (3) a person who, acting alone or in concert with others, holds 30% or more of the outstanding shares of the Company;
- (4) a person who, acting alone or in concert with others, has de facto control of the Company by any other means.

Section 2 General Provisions of the Shareholders’ General Meeting**Article 56**

The shareholders’ general meeting is the organ of power of the Company and shall lawfully exercise its powers as follows:

- (1) decide on the business policies and investment plans of the Company;
- (2) elect and replace Directors and Supervisors assumed by non-employee representatives;
- (3) decide on the remuneration of Directors and Supervisors;
- (4) consider and approve the report of the Board of Directors;
- (5) consider and approve the report of the Supervisory Committee;
- (6) consider and approve the Company’s annual budget and final accounts proposals;
- (7) consider and approve the Company’s profit distribution plan and loss recovery plan;
- (8) make a resolution on the increase or decrease of the registered capital of the Company;
- (9) make a resolution on the issuance of bonds;

- (10) make a resolution on the merger, division, dissolution or liquidation of the Company, or on the change in the type of the Company;
- (11) amend these Articles of Association;
- (12) make a resolution on the Company's engagement and dismissal of an accounting firm;
- (13) consider and approve the guarantees prescribed in Article 57 hereof;
- (14) consider the Company's purchase or sale of major assets within one year in excess of 30% of the Company's latest audited total assets;
- (15) consider and approve changes in the use of proceeds;
- (16) consider an equity incentive plan and an employee share ownership scheme;
- (17) consider connected transactions which are subject to consideration at a shareholders' general meeting;
- (18) consider other matters on which resolutions shall be made by a shareholders' general meeting as required by laws, administrative regulations, departmental rules or these Articles of Association.

Article 57

The following external guarantees by the Company shall be considered and approved by a shareholders' general meeting.

- (1) any guarantee provided after the total amount of external guarantees by the Company and its subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (2) the total guarantee amount provided within the last 12 months exceeding 30% of the Company's latest audited total assets;
- (3) any guarantee provided after the total amount of external guarantees by the Company and its subsidiaries exceeds 30% of the latest audited net assets;
- (4) any guarantee provided for a target party whose asset-liability ratio is over 70% as shown in its latest financial statements;

- (5) any guarantee with a single guaranteed amount in excess of 10% of the latest audited net assets of the Company;
- (6) any guarantee provided to shareholders, de facto controllers and their connected parties;
- (7) other external guarantees which are subject to consideration at a shareholder's general meeting as required by relevant laws, regulations, provisions, rules and these Articles of Association.

The Directors, senior management or other relevant personnel of the Company shall be held responsible for any loss caused to the Company by their breach of required approvals procedures or signing of contracts for external guarantees without authorization or neglect of duties.

Article 58

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

When providing guarantee to controlling shareholders, de facto controllers and their connected parties, the Company shall require the parties guaranteed to provide counter indemnity and the party providing the counter indemnity must possess actual performance ability.

In these Articles of Association, references to the term "external guarantees" herein shall mean guarantees provided by the Company on behalf of another party, including guarantees provided by the Company on behalf of its subsidiaries. Reference to the term "total amount of external guarantees of the Company and its subsidiaries" herein shall mean the sum of the total amount of external guarantees of the Company (including guarantees provided by the Company on behalf of its subsidiaries) and the external guarantees of the Company's subsidiaries.

Article 59

The shareholders' general meeting shall exercise its functions and powers to the extent as permitted by the Company Law. It shall not interfere with shareholders in respect of their own rights.

Article 60 The Company shall formulate the rules of procedures for the shareholders' general meeting which shall set out in detail the procedures of convening and voting in respect of the shareholders' general meeting (including notices, registration, consideration and approval for proposals, voting, vote counting, announcement on voting results, the resolution making process, meeting minutes and signing, announcements and other matters) and the principles of authorisation granted to the board of directors at the shareholders' general meeting. The scope of authorisation shall be specified in details. The rules of procedures for the shareholders' general meeting as an appendix to these Articles of Association shall be prepared by the board of directors and approved at the shareholders' general meeting.

Article 61 Matters, as required by laws, administrative regulations as well as these Articles of Association, shall be resolved at the shareholders' general meetings so as to protect the decision-making rights of shareholders of the Company on such matters. Under necessary and reasonable circumstances, the shareholders' general meeting may authorize the board of directors to decide, within the scope of authorization as delegated at the shareholders' general meeting, specific issues relating to matters to be resolved on by the shareholders' general meeting which may not be decided upon immediately at a shareholders' general meeting. The shareholders' general meeting shall not assign any of its exercisable power under the laws to the Board to exercise.

An authorization to the board of directors which falls into an ordinary resolution shall be passed by votes representing more than one-half (excluding one-half) of the voting rights held by the shareholders (including their proxies) present at the shareholders' general meeting; an authorization to the board of directors which falls into a special resolution shall be passed by votes representing more than two-thirds of the voting rights held by the shareholders (including their proxies) present at the shareholders' general meeting. The content of the authorization shall be clear and specific.

Article 62 Shareholders' general meetings include annual meeting of shareholders and extraordinary general meeting. The annual general meeting shall be convened once a year, and held within six months after the end of the previous accounting year.

Article 63 Extraordinary general meetings are convened irregularly, and the Company shall convene an extraordinary general meeting within two (2) months of the occurrence of any one of the following events:

- (1) the number of directors is less than 6;
- (2) the losses not yet made up by the Company account for one-third of the total paid-up share capital;
- (3) the shareholders individually or jointly holding more than 10% of total shares of the Company make a request;
- (4) the board of directors considers it necessary;
- (5) the Supervisory Committee proposes convening the meeting;
- (6) other cases as required by laws, administrative regulations, departmental rules or these Articles of Association.

Should the Company cannot convene a shareholders' general meeting within the period mentioned in the preceding paragraph, it shall report to the CSRC (Shenzhen Branch) and Shenzhen Stock Exchange, explain the reason and make an announcement.

Article 64 A shareholders' general meeting of the Company shall be convened at the domicile of the Company or a specific location set out in a notice of the shareholders' general meeting of the Company.

Article 65 A venue shall be available for a shareholders' general meeting which shall be held as an on-site meeting. The time and venue of on-site meetings shall be convenient for shareholders' participation. After the notice of a general meeting is issued, the venue of the on-site meeting of such general meeting shall not be changed without proper reasons. If it is necessary to change, the convenor shall make an announcement and give the reasons at least two trading days prior to the on-site meeting.

Article 66 For the convenience of shareholders, the Company shall provide secure, cost-efficient and accessible online and other channels for participation in shareholders' general meetings in accordance with applicable laws, administrative regulations and rules of the CSRC or these Articles of Association.

Shareholders who attend the meeting in the aforesaid manners shall be deemed as present.

Article 67

When the Company holds a shareholders' general meeting, a lawyer shall be engaged to present legal opinions on the following matters and make an announcement:

- (1) whether or not the procedures for convening and holding the meeting are in compliance with laws, administrative regulations, Rules for Shareholders' Meetings of Listed Companies and these Articles of Association;
- (2) whether or not the qualifications of the officers present at the meeting, and of the convenor are lawful and valid;
- (3) whether or not the voting procedures at the meeting and the voting results are lawful and valid;
- (4) other legal opinions to be presented on other relevant matters at the request of the Company.

Section 3 Convening of Shareholders' General Meeting

Article 68

The independent directors, the Supervisory Committee, shareholders severally or jointly holding 10% or more of the shares of the Company requisitioning the convening of extraordinary general meetings shall abide by the following procedures:

- (1) Two or more shareholders who hold individually or jointly an aggregate of 10% or more of the shares carrying voting rights at such meeting may sign one or several written requests in the same form requesting the board of directors to convene an extraordinary general meeting, specifying the objects of the meeting. The board of directors shall make a written response as to whether or not it agrees to convene an extraordinary general meeting of shareholders, within 10 days upon receipt of the aforesaid written request according to laws, administrative regulations and these Articles of Association. The number of the shares held as aforesaid shall be calculated based on those shares held by the shareholders as at the date of the written request.

The independent directors shall have the right to propose to the board of directors to convene an extraordinary general meeting of shareholders. For such proposal, the board of directors shall, in accordance with laws, administrative regulations and these Articles of Association, make a written response as to whether or not it agrees to convene an extraordinary general meeting of shareholders, within 10 days upon receipt of such proposal.

The board of directors of supervisors shall have the right to propose to the board of directors to convene an extraordinary general meeting of shareholders. Such proposal shall be made in writing. The board of directors shall make a written response as to whether or not it agrees to convene such an extraordinary general meeting of shareholders within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and these Articles of Association.

- (2) If the board of directors agrees to convene the extraordinary general meeting of shareholders, a notice of such meeting shall be issued within 5 days after the resolution of the board of directors is passed. Changes made to the original proposal in the notice shall be approved by the original proposer.
- (3) If the board of directors does not agree to convene the extraordinary general meeting, it shall make an announcement with relevant explanations.
- (4) If the board of directors does not agree to the resolutions made by the Supervisory Committee to convene the shareholders' extraordinary general meeting, or fails to give a relevant notice within 10 days after the receipt of the request, it shall be deemed that the board of directors is unable or fails to fulfil its responsibilities to convene the shareholders' general meeting. The Supervisory Committee can hereby convene and preside over the meeting by itself. The procedures of convening the meeting should be similar to those of convening a shareholders' general meeting by the board of directors as far as possible.

- (5) If the board of directors does not agree to the resolution made by the shareholders to convene the shareholders' extraordinary general meeting, or no response is made within 10 days upon receipt of the written request, the shareholder(s) who hold individually or jointly an aggregate of 10% or more of the shares of the Company shall be entitled to make a written resolution to the Supervisory Committee for convening such meeting.

If the Supervisory Committee agrees to convene such a meeting, a notice of such meeting shall be issued within 5 days upon receipt of the proposal. Changes made to the original request shall be approved by the relevant shareholder(s).

If the Supervisory Committee fails to dispatch a notice of the shareholders' general meeting within a prescribed period of time, it shall be deemed that the Supervisory Committee fails to convene and preside over the shareholders' general meeting. The shareholder(s) continuously holding for 90 days individually or collectively 10% or more of the shares of the Company may convene and preside over the meeting by himself/themselves, provided that prior to the announcement of the resolutions of the shareholders' general meeting, the shares held by the convening shareholder(s) shall not be less than 10% of the shares of the Company. The procedures of convening the meeting should be similar to those of convening a shareholders' general meeting by the board of directors as far as possible.

Article 69 If the Supervisory Committee or Shareholder(s) decide(s) to convene the extraordinary general meeting by itself/themselves, it/they shall issue a written notice to the board of directors and file with Shenzhen Stock Exchange.

Article 70 The Supervisory Committee or convening shareholder shall submit relevant evidence to Shenzhen Stock Exchange upon the issuance of the notice of shareholders' general meeting and the announcement of the passed resolutions of the shareholders' general meeting.

Article 71 As for the shareholders' general meeting convened by the Supervisory Committee or shareholders, the board of directors and the secretary to the board of directors shall coordinate accordingly. The board of directors will provide the register of members as at the registered date for entitlements of shares. In the event that the board of directors fails to provide the register of members, the convener may apply to China Securities Depository and Clearing Corporation Limited (Shenzhen Branch) for obtaining the register of members with the relevant announcements on the convening of the shareholders' general meeting. The register of members obtained by the convener shall not be used for purposes other than convening of the shareholders' general meeting.

Article 72 All necessary expenses incurred by the Supervisory Committee or the shareholders to convene a shareholders' general meeting due to the Board of Directors's failure to convene such meeting in response to the aforesaid request shall be assumed by the Company and any sum so repaid shall be set off against any sums owed by the Company to the defaulting Directors.

Section 4 Proposals and Notices of Shareholders' General Meeting

Article 73 The contents of a proposal shall be within the scope of the duties and responsibilities of the shareholders' general meeting, have definite topics and specific matters for resolution, as well as be in compliance with the laws, administrative regulations and these Articles of Association.

Article 74 The board of directors, the Supervisory Committee, and shareholder(s) individually or jointly holding more than 3% of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' general meeting of the Company.

The shareholder(s) individually or jointly holding more than 3% of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' general meeting 10 days prior to the meeting. The convener shall issue a supplementary notice of the shareholders' general meeting and announce the contents of such extra proposed resolutions within 2 days after receipt thereof.

Except as provided by the preceding clause, the convener of a shareholders' general meeting shall not amend the proposed resolutions set out in the notice of the meeting or add any new proposed resolutions subsequent to the issue of the notice of the shareholders' general meeting.

Proposals which are not specified in the notice of the shareholders' general meeting or which do not comply with Article 73 of these Articles of Association shall not be voted and resolved at the shareholders' general meeting and become resolutions.

Article 75

When the Company convenes a general meeting, a written notice shall be issued at least 21 days (excluding the date of meeting) prior to the annual general meeting and at least 15 days (excluding the date of meeting) prior to the extraordinary general meeting by the convenor to all shareholders whose names appear in the register of members, specifying the matters to be considered at and the date and venue of the meeting. Where relevant laws, regulations and other regulatory documents have provisions otherwise, such provisions shall prevail.

The date of issue of the notice mentioned herein is the date on which the Company or the share registry commissioned by the Company serves the relevant notice to the post office.

Article 76

The notice of a shareholders' general meeting shall set forth the following particulars:

- (1) time, venue and duration of the meeting;
- (2) matters and proposals submitted to the meeting for consideration;
- (3) an express statement: that each shareholder is entitled to attend the shareholders' general meeting, and may authorize a proxy in writing to attend such meeting and participate in voting, who needs not be a shareholder of the Company;
- (4) it shall contain the record date on which shareholders have the right to attend the shareholders' general meeting;
- (5) it shall contain the names and telephone numbers of permanent contact persons for the affairs of the meeting;
- (6) it shall contain the time and procedures for online voting or other means of voting.

Article 77 The notice of a shareholders' general meeting shall be sent in the manner prescribed by laws, regulations, regulatory documents, the requirements of the CSRC and the rules of the stock exchange(s) where the Company is listed.

Article 78 Details of all proposals as well as all of information or explanations required for shareholders to make sound judgment of the matters to be discussed shall be fully and completely disclosed in the notice of the shareholders' general meeting and its supplementary notice. In the event that independent directors are required to express their opinions on the matters to be discussed, a notice of shareholders' general meeting or a supplementary notice shall, when given, also disclose the opinions and reasons of the independent directors.

Article 79 The interval between the record date and the date of the meeting shall not be more than seven working days. Once the record date is confirmed, no change may be made thereto.

Article 80 In the event that the election of directors and supervisors is to be discussed at a shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose details of candidates for the directors and supervisors, and shall at least include the following particulars:

- (1) their educational background, work experience, part-time jobs and other personal details;
- (2) whether or not they have any connections with the Company or the Company's controlling shareholders and de facto controllers;
- (3) the disclosed number of shares of the Company they hold;
- (4) whether or not they have been penalized by the CSRC and other relevant departments, and disciplined by the Shenzhen Stock Exchange.

In addition to adopting the cumulative voting system to elect directors and supervisors, a single proposal on each of the candidates for directors and supervisors shall be submitted.

Article 81 After a notice of shareholders' general meeting is given, the shareholders' general meeting shall not be postponed or cancelled, and the proposals set out in the notice of shareholders' general meeting shall not be cancelled without due reason. Once the meeting is postponed or cancelled, the convenor shall make an announcement and explain the reasons at least two working days prior to the scheduled meeting date.

Section 5 The Convening of Shareholders' General Meetings

Article 82 The Board of Directors of the Company and other convenors shall take necessary measures to ensure the normal order of a shareholders' general meeting. They shall take measures to prevent any interference with the shareholders' general meeting, disturbance and violation of the legitimate rights and interests of shareholders and promptly report the same to the relevant departments for investigation.

Article 83 All shareholders or their proxies recorded in the register on the record date shall have the right to attend shareholders' general meetings and exercise the rights to vote in accordance with relevant laws, administrative regulations and these Articles of Association.

Article 84 Shareholders may attend a shareholders' general meeting in person and exercise the rights to vote, and also may appoint a proxy to attend and vote on their behalf within the scope of authorization.

Article 85 Any shareholder who has the right to attend and vote at a shareholders' general meeting shall have the right to entrust one or more persons (not necessarily shareholder(s)) as his/her proxy(ies) to attend the meeting and vote on his/her behalf. Such proxy may exercise the following rights in accordance with the shareholder's entrustment:

- (1) the shareholder's right to speak at the shareholders' general meeting;
- (2) the right to require by himself/herself or jointly with others to make a resolution by voting;
- (3) the right to vote by raising hands or ballot, except in circumstances where a shareholder has appointed more than one proxy, such proxies can only exercise the voting right by ballot.

Article 86

In the event that an individual shareholder attends a shareholders' general meeting in person, he shall produce his own identity card or other valid documents or proof capable of identifying himself, and the stock account card; in the event that a proxy is appointed to attend the meeting for someone else, he shall produce his own valid identity documents and the power of attorney from the shareholder.

For a corporate shareholder, his legal representative or the proxy appointed by such legal representative shall attend the meeting. In the event that the legal representative attends the meeting, he shall produce his own identity card or valid proof capable of proving that he has the status of a legal representative; in the event that the appointed proxy attends the meeting, he shall produce his own identity card and the written power of attorney issued by the legal representative of the corporate shareholder according to law.

Article 87

The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument shall be executed either under its seal or under the hand of its Chairman or other attorney duly authorised to sign the same.

The power of attorney issued by a shareholder to appoint another party to attend a shareholders' general meeting shall contain the following particulars:

- (1) the name of the proxy;
- (2) whether the proxy has the right to vote;
- (3) the instructions to vote in favour of or against, or to abstain from voting on, each matter set out on the agenda of the shareholders' general meeting;
- (4) the date and validity of the power of attorney;
- (5) the signature (or seal) of the principal. In case the principal is a corporate shareholder, it shall be affixed with the seal of the legal entity.

Such instrument shall state whether the proxy, in the absence of any specific instructions from the Shareholder, may vote as he/she thinks fit.

Article 88 Proxy forms shall be made available at least 24 hours prior to a meeting at which voting is appointed in such proxy forms or 24 hours prior to the designated voting time at the Company's domicile or elsewhere specified in the notice convening the meeting. In the event that the proxy forms are signed by other persons authorized by the principals, the letter of authority authorizing the signatures or other authority shall be notarized. Notarized letter of authority or other authority together with the proxy forms shall be made available at the Company's domicile or elsewhere specified in the notice convening the meeting.

In case the principal is a legal entity, its legal representative or board of directors, or other person authorized by the resolution of decision-making bodies shall be represented at the shareholders' general meeting of the Company.

Article 89 The format of any letter of authority given to shareholders using for appointing proxies shall allow shareholders to choose freely to instruct proxies to vote in favour of or against a matter, and give respective instructions in respect of resolutions made on each of the matters at a meeting.

Article 90 In the event that a principal has died, lost the capacity for acts, withdrawn the appointment or withdrawn the authorization signed for the appointment, or the shares have been transferred prior to voting, as long as the Company has not received a written notice of such matters prior to a meeting, the votes cast by a proxy according to the letter of authority shall remain valid.

Article 91 A meeting attendance register of attendants at a meeting shall be compiled by the Company. The meeting attendance register shall state the names (or names of work units), identity card numbers and home addresses of attendants, number of shares held or representing voting shares, the names of principals (or names of work units) and so on.

Article 92 The convenor and the lawyers engaged by the Company shall jointly verify the legitimacy of the qualifications of shareholders based on the register of shareholders provided by China Securities Depository and Clearing Corporation Limited, Shenzhen branch, and record the names of shareholders and the number of voting shares held by them. Meeting registration shall be terminated before the chairman of the meeting announces the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held.

Article 93 During a shareholders' general meeting, all the directors and supervisors of the Company and secretary of the Board of Directors shall attend the meeting. The President and other senior management officers shall sit in on the meeting.

Article 94 A shareholders' general meeting shall be chaired and presided over by the Chairman. In the event that the chairman is unable to or fails to perform his duties, the vice-chairman jointly elected by a simple majority of all the directors shall chair and preside over the meeting. In the event that both of the two Vice-Chairmen are also unable to or fail to perform their duties, a director jointly elected by more than half of the directors shall chair and preside over the meeting. In the event that the chairman of the meeting is not specified, the shareholders present at the meeting may elect one person as a chairman to preside over the meeting; if for any reason shareholders cannot elect a chairman, the shareholder (including proxy) present at the meeting with the largest number of the voting shares shall chair and preside over the meeting.

A shareholders' general meeting convened by the Supervisory Committee on its own shall be chaired by the chairman of the Supervisory Committee. In the event that the chairman is unable to or fails to perform his duties, a supervisor jointly elected by more than half of the supervisors of the Company shall chair the meeting.

A shareholders' general meeting convened by shareholders on their own shall be chaired by a representative elected by the convenor.

Article 95 During a shareholders' general meeting, in the event that the chairman of the meeting violates the rules of procedure so that the shareholders' general meeting cannot proceed, a person may be elected as the chairman of the meeting thereat to proceed with the meeting with the consent of the shareholders with a majority of the voting rights present at the meeting.

Article 96 At an annual general meeting, the Board of Directors and the Supervisory Committee shall report to the meeting on their work over the past one year. Each of the independent directors shall also make their personal work reports.

Article 97 Directors, supervisors and senior management officers shall explain and illustrate the questions and suggestions made by shareholders at a shareholders' general meeting.

Article 98 The chairman of a meeting shall announce, before voting takes place, the number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held. The number of shareholders and proxies physically present at the meeting as well as the total number of voting shares held shall be based on the registration at the meeting.

Article 99 Minutes shall be prepared for a shareholders' general meeting by the Secretary of the Board of Directors. The minutes of a meeting shall record the following particulars:

- (1) the time, place, agenda and name of the convenor of the meeting;
- (2) the names of the chairman of the meeting and the directors, supervisors, President and other senior management officers attending or sitting in on the meeting;
- (3) the number of shareholders and proxies attending the shareholders' general meetings, the total number of voting shares held and their respective percentages of total number of shares of the Company;
- (4) the process of considering each proposal, main points of remarks and voting results;
- (5) questions, comments or suggestions by shareholders, and the replies thereto or explanations thereof;
- (6) the names of lawyers, counters and scrutineers of votes;
- (7) the number of voting shares represented by the holders (including their proxies) of domestic shares and overseas-listed foreign shares (including their proxies) who are present at the meeting, and the proportion of their shares out of the total number of shares of the Company;
- (8) the results of voting by holders of domestic shares and holders of overseas-listed foreign shares in respect of each resolutions;
- (9) other particulars that shall be recorded into the meeting minutes as prescribed hereunder.

Article 100 Directors, supervisors, secretary of the Board of Directors, convenor or his representative and the chairman of the meeting who attend the meeting shall sign the minutes of the meeting, the convenor shall ensure that the particulars of meeting minutes are true, accurate and complete. The minutes of the meeting shall be kept together with the valid data on the signature book of shareholders physically present at the meeting, powers of attorney of proxies present and details of voting on the network and other voting methods for a period of not less than ten years.

Article 101 A convenor shall ensure that a shareholders' general meeting shall be held consecutively until a final resolution is formed. In the event that a shareholders' general meeting is suspended or no resolutions can be made thereat due to special reasons such as force majeure, the convenor shall take necessary measures to restore the meeting as soon as possible or directly terminate the meeting, and make an announcement promptly. Meanwhile, the convenor shall report to Shenzhen Regulatory Bureau of CSRC and the Shenzhen Stock Exchange.

Section 6 Voting and Resolutions of the Shareholders' General Meeting

Article 102 Resolutions of the shareholders' general meeting shall be divided into ordinary resolutions and special resolutions.

To pass an ordinary resolution at a shareholders' general meeting, votes representing a simple majority of the voting rights represented by the shareholders (including proxies) present at the meeting shall be exercised in favour of such resolution.

To pass a special resolution at a shareholders' general meeting, votes representing more than two-thirds of the voting rights represented by the shareholders (including proxies) present at the meeting shall be exercised in favour of such resolution.

Article 103 The following matters shall be passed by way of ordinary resolutions at a shareholders' general meeting:

- (1) the work report of the Board of Directors and the Supervisory Committee;
- (2) Board of Directors' proposed profit distribution plan and loss recovery plan;

- (3) the appointment and removal of members of the Board of Directors and the Supervisory Committee and their remuneration and payment methods;
- (4) the Company's annual budget and final accounts report, balance sheet, income statement and other financial statements;
- (5) the Company's annual report;
- (6) matters other than those that are required to be passed by special resolution under laws, administrative regulations or provisions hereof.

Article 104

The following matters shall be passed by way of special resolutions at a shareholder's general meeting:

- (1) the Company's increase or decrease of registered capital and issuance of any class of shares, warrants and other similar securities;
- (2) the division, spin-off, merger, dissolution, liquidation of the Company or change in corporate form;
- (3) amendments to these Articles of Association;
- (4) the Company's purchase or sale of major assets or guaranteed amounts within one year in excess of 30% of the latest audited total assets of the Company;
- (5) equity incentive plans;
- (6) other matters which are required to be passed by special resolution under laws, administrative regulations, the securities regulatory rules in the jurisdictions where the shares of the Company are listed or these Articles of Association, and which are supposed to have a significant impact on the Company if they are passed by ordinary resolution at a shareholders' general meeting.

Article 105

When voting in the shareholders' general meeting, a shareholder (including his/her proxy(ies)) shall exercise its voting rights in respect of the number of voting shares he/she represents, except in the adoption of cumulative voting system on the election of directors, supervisors as required under Article 121 of these Articles of Association. Each share shall have one vote, but voting shall comply with any privilege or restriction appended on the relevant voting rights existing at the time being, and shall comply with the requirements under the relevant applicable laws, regulations and these Articles of Association. If according to the Hong Kong Listing Rules, any of its schedules, any listing agreements, other contracts and agreements entered into pursuant to the above documents and decisions of the Hong Kong Stock Exchange, the voting rights of any shareholder in respect of any voting are not exercisable, or there is any restriction in respect of the exercise of the voting rights, while he has not complied with the relevant requirements, the voting rights of such shareholder shall be deemed as invalid and shall not be counted.

When the shareholders' general meeting considers matters that could materially affect the interest of middle and small investors, the votes by middle and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

The shares of the Company held by itself have no voting rights and shall not be counted into the total number of shares carrying voting rights at the shareholders' general meeting.

If a shareholder purchases the shares of the Company with voting rights in violation of the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of shares exceeding the prescribed proportion shall not be exercised within 36 months after the purchase, and shall not be counted into the total number of shares carrying voting rights at the shareholders' general meeting.

Article 106

The Board, independent directors of the Company and shareholders holding more than 1% of the shares with voting rights or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC have the right to publicly solicit voting rights from shareholders. In doing so, information such as voting intention shall be sufficiently disclosed to the shareholders from whom voting rights are being solicited. Provision of consideration or de facto consideration is prohibited in soliciting shareholders' voting rights. Except for statutory conditions, the Company and the convener of the shareholders' general meeting is prohibited from setting requirement of the minimum shareholding ratio when soliciting shareholders' voting rights.

Article 107

When connected transactions are voted at the shareholders' general meeting, the following interested shareholders shall not participate in voting. The voting shares represented by them shall not be counted in the total number of shares validly voted:

- (1) the other party of a transaction;
- (2) direct or indirect controller of the other party of a transaction;
- (3) directly or indirectly controlled by the other party of a transaction;
- (4) together with the other party of a transaction, directly or indirectly controlled by the same legal person (or other organization) or natural person;
- (5) holding office in the other party of a transaction, or holding office in a legal person (or other organization) which is in a position to directly or indirectly control the other party of a transaction or which is under the direct or indirect control of the other party of a transaction;
- (6) being a close family member of the other party of a transaction or a direct or indirect controller of the other party of a transaction;
- (7) a shareholder whose voting right is restricted because of incomplete performance of equity transfer agreement or other agreement with the other party of a transaction or connected person thereof;
- (8) a shareholder which is likely to obtain more benefits from the Company as determined by the China Securities Regulatory Commission or the Shenzhen Stock Exchange.

The voting of uninterested shareholders shall be disclosed fully in the announcement on the resolutions of a shareholders' general meeting.

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

- Article 108** Save that the Company is under exceptional circumstances such as crisis, unless approved by way of special resolution at a shareholders' general meeting, the Company shall not enter into any contracts with any person other than the directors, President and other senior management personnel pursuant to which the management of all or a substantial part of the business of the Company will be given to such person.
- Article 109** The list of candidates for directors and supervisors shall be submitted to the shareholders' general meeting for voting in the form of proposal.
- Article 110** The Board of Directors shall make a public announcement to the shareholders concerning the biographies and general information of the candidates for directors and supervisors.
- Article 111** Other than the cumulative voting system, the general meeting shall vote on all proposals item by item, and shall vote on the proposals in temporal sequence as they are raised when different proposals are put forward for a single matter. Unless a shareholders' general meeting is suspended or no resolution can be adopted due to force majeure or other special reasons, no proposal shall be set aside or rejected from being voted on at the shareholders' general meeting.
- Article 112** When a proposal is being considered at a shareholders' general meeting, no modifications may be made to the proposal, otherwise the modifications shall be deemed as a new proposal and shall not be voted at the shareholders' general meeting.
- Article 113** The same voting right may only be exercised at either an on-site meeting or on the network. In the event that the same voting right is repeated, the result of the first vote shall prevail.
- Article 114** The voting at a shareholders' general meeting shall be taken by way of registered poll.
- Article 115** Before voting takes place on a proposal at a shareholders' general meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. In the event that a shareholder is related to a matter to be considered, the relevant shareholder and his proxy shall not participate in the vote counting and scrutinizing.

When voting takes place on a proposal at a shareholders' general meeting, lawyers and representatives of shareholders and supervisors shall be jointly responsible for vote counting and scrutinizing, and shall announce the voting results on the spot. The voting results of resolutions shall be recorded in the minutes.

Shareholders of the Company or their proxies who cast their votes through the network or by other ways shall have the right to inspect their own voting results through an appropriate voting system.

Article 116 An on-site shareholders' general meeting shall not end earlier than the one held on the network or by other ways. 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.

Article 117 Before the formal announcement of voting results, the Company, vote counters, vote scrutineers, substantial shareholders, network services providers and other related parties involved at the on-site shareholders' general meeting and on the network shall be under a confidentiality obligation for the details of the voting.

Article 118 Shareholders present at a shareholders' general meeting shall express one of the following opinions on a proposal submitted for voting: being in favour of, being against or abstaining from voting, except for the securities registration and settlement institutions which, being the nominal holders of shares under Stock Connect between the Mainland and Hong Kong, shall make declarations according to the intentions of the beneficial holders.

Uncompleted paper ballots, wrongly completed paper ballots, paper ballots with illegible characters and uncast paper ballots shall be deemed as voters abstaining from their voting rights. The voting results of the shares they hold shall be counted as "abstained".

Article 119 A poll demanded on the election of the chairman of the meeting, or on a question of adjournment of the meeting, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

Article 120 On a poll taken at the meeting, a shareholder (including his/her proxy(ies)) entitled to two or more votes need not cast all his or her votes in the same way.

Article 121 During the election of directors or supervisors in the shareholders' general meeting, if there are more than two candidates, each share held by a shareholder (including his/her proxy(ies)) shall have the same voting rights as the number of candidates to be elected. He may cast all his votes on one single candidate or spread his votes on different candidates.

Where sole shareholder and its concert party are interested in 30% or more in shares of the Company, the cumulative voting method shall be adopted.

Details of the operation of the cumulative voting method are as follows:

- (1) The total number of valid vote casted by every shareholder attending the meeting in election of directors or supervisors shall be equal to the number of voting shares held by the shareholder multiplied by the number of directors or supervisors to be elected;
- (2) Every shareholder may cast all his votes on single candidate for director or supervisor or spread his votes on different candidates for director or supervisor;
- (3) Votes for one candidate of Director (or Supervisor) could be more or less than the number of voting shares held by the shareholder, which do not need to be integral multiples of the number of his shares. However, the accumulative number of the votes for all candidates for Directors (or Supervisors) shall not exceed the entitled total number of the valid voting rights;
- (4) After completion of voting, all the candidates for Directors (or Supervisors) shall be elected in descending order according to the number of votes they received, upon the capped number of Directors (or Supervisors) to be elected.

Article 122 In the case of a tie, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to one additional vote.

Article 123 In the event that the chairman of a meeting has any doubt about the results of a resolution submitted to voting, he may arrange the counting of the votes cast; in the event that the chairman of the meeting has not counted the votes but shareholders or their proxies present at the meeting disagree with the results announced by the chairman, they shall have the right to request vote counting immediately after the voting results are announced. The chairman shall immediately arrange the counting of votes.

Article 124 The chairman of the meeting shall be responsible for determining whether a resolution of the shareholders' general meeting has been passed. His decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the minute book. The Company shall make a public announcement on the resolutions adopted in the shareholders' general meeting pursuant to applicable laws and the relevant requirements of the stock exchange on which the shares of the Company are listed. Such announcement shall include the numbers of shareholders and proxies attending the meeting, the numbers of voting shares held by them, their proportion to the total voting shares of the Company, the means of votes, the result of every proposal and the details of every resolution passed. The Company shall take the statistics and announce the situation of the attendance and voting of holders of domestic shares and of foreign shares separately.

Article 125 In the event that a proposal is not passed, or a resolution passed at a previous shareholders' general meeting is modified at this shareholders' general meeting, a special note shall be made in the announcement on the resolutions made at the shareholders' general meeting.

Article 126 In the event that a proposal on the election of directors and supervisors is passed at a shareholders' general meeting, the new directors and supervisors shall assume office upon the conclusion of the shareholders' general meeting.

Article 127 In the event that a proposal on the distribution of cash dividends or bonus shares or on share capital increase with transfers from the capital reserves is passed at a shareholders' general meeting, the Company shall implement a specific scheme thereon within two months upon the conclusion of the shareholders' general meeting.

Article 128 The resolutions passed at a shareholders' general meeting are invalid if they are in violation of any law or administrative regulation.

If the procedures for convening a shareholders' general meeting, or the way of voting, violate any law, administrative regulation or these Articles of Association, or the content of a resolution violates these Articles of Association, the shareholders may, within 60 days from the day when the resolution is made, request the People's Court to revoke it.

Chapter 6 The Board of Directors

Section 1 Directors

Article 129

Directors of the Company shall be natural persons. A person who falls into any of the following circumstances shall not serve as a director of the Company:

- (1) civil incompetence or limited civil competence;
- (2) no more than five (5) years have lapsed since termination of the execution period for penalty on a crime of corruption, bribery, encroachment of property, embezzlement or disrupting socialist economic order, or no more than five (5) years have lapsed since termination of the execution period for deprivation of political rights due to committing a crime;
- (3) no more than three (3) years have lapsed since conclusion of liquidation owing to the bankruptcy of a company or enterprise where the person served as a director or factory manager or manager and was personally liable for the bankruptcy;
- (4) no more than three (3) years have lapsed since the date of cancellation of the business license and winding-up of a company or enterprise on account of illegal business operations where the person served as the legal representative and was personally liable;
- (5) a relatively large amount of personal debt is overdue but remains unpaid;
- (6) the person is under investigation by the judicial authorities after a claim has been brought for breaking criminal law, pending conclusion of the case;
- (7) the person is not eligible for enterprise leadership under the laws and administrative regulations;
- (8) the person is not a natural person;
- (9) no more than five (5) years have lapsed since the person was found guilty of violating relevant securities regulations and involved in fraud or dishonesty as adjudged by relevant regulatory authorities;

- (10) the person is currently being prohibited from participating in securities market by the CSRC and such barring period has not elapsed;
- (11) the person has been publicly ascertained by the stock exchange as being not suitable for serving relevant position, the effective period of which has not yet expired; and
- (12) other circumstances specified by the laws, administrative regulations and rules.

For any election and appointment of a director in contravention of the provisions prescribed by this Article, such election, appointment or employment shall be void and null. Where a director falls into any of the aforesaid circumstances in his term of office, the director shall be removed from office.

Article 130 New director shall sign a “directors’ declaration and undertaking” and submit it to the Board and the Shenzhen Stock Exchange for filing.

Article 131 Directors shall be elected or replaced by the general meeting, and can be removed from office by the general meeting before his term of office expires. The term of office of directors is three (3) years, renewable upon re-election at its expiry. The general meeting may by ordinary resolution remove any director before the expiry of his term of office (but without prejudice to such director’s right to claim damages under any contract), subject to full compliance with the relevant laws and administrative regulations.

Article 132 The term of office of directors commences from the date of appointment up to the expiry of the current term of office of the Board. In the event that the term of a director falls upon expiry whereas the new member of the Board is not re-elected in time, the existing director shall continue to perform his duties in accordance with laws, administrative regulations, rules of regulatory authorities and the provisions of these Articles of Association until the re-elected director assumes office.

Article 133 Directors may hold a concurrent post as President or other senior management personnel of the Company, provided that the total number of directors who are serving concurrently as President or other senior management personnel together with the staff representative director shall not be more than half of all the directors.

Article 134 Directors shall comply with the laws, administrative regulations and these Articles of Association, and shall fulfill obligations to the Company as follows:

- (1) not to abuse his position to accept bribes or other illegal income or misappropriate the properties of the Company;
- (2) not to misappropriate the funds of the Company;
- (3) not to set up accounts in his own name or in the name of any other person for the purpose of depositing any of the assets or funds of the Company;
- (4) not to lend funds of the Company to any other person or use the property of the Company to provide guarantee for any other person without the consent of the shareholders' general meeting or the Board of Directors in contravention of the provisions of these Articles of Association;
- (5) not to enter into contracts or carry out transactions with the Company in contravention of the provisions of these Articles of Association or without the consent of the shareholders' general meeting;
- (6) not to, without the consent of the shareholders' general meeting, abuse his position to seize business opportunities for himself or for other persons which should otherwise belong to the Company, or operate a business similar to that of the Company for himself or for other persons;
- (7) not to misappropriate commissions derived from transactions entered into by the Company;
- (8) not to disclose confidential information of the Company without permission;
- (9) not to abuse his connections with the Company to jeopardize the interests of the Company;
- (10) other faithful obligations as required by the laws, administrative regulations, departmental rules and these Articles of Association.

Any income derived by a director in violation of the provisions of this Article shall belong to the Company. The director shall be liable for indemnifying the Company against any loss incurred.

Article 135 Directors shall comply with the laws, administrative regulations and these Articles of Association and shall fulfill the following obligations of integrity and diligence:

- (1) to exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the state's laws, administrative regulations and economic policies, not going beyond the scope of business specified in the Company's business license;
- (2) to treat all shareholders impartially;
- (3) to keep informed of the business operations and management of the Company;
- (4) to sign the regular reports of the Company for confirmation, and to ensure the information disclosed by the Company is true, accurate and complete;
- (5) to honestly provide the supervisory committee with relevant information, and not to interfere with the supervisory committee or supervisors in performing their duties and powers;
- (6) to fulfill other due diligence obligations stipulated by laws, administrative regulations, rules of regulatory authorities and these Articles of Association.

Article 136 A director who cannot attend the meetings of the Board in person twice consecutively nor appointed any other directors to attend on his behalf is deemed as failure in performing the duties, and shall be subject to replacement as recommended by the Board at the general meeting.

Article 137 Directors may request to resign before expiry of their terms of office. The directors to resign shall submit to the Board a written report in relation to their resignation. The Board shall disclose the relevant information within two (2) days.

Article 138 In the event that the resignation of any director results in the number of members of the Board falling below the quorum, the existing director shall continue to perform his duties in accordance with the laws, administrative regulations, rules of regulatory authorities and the provisions of these Articles of Association until the re-elected director assumes office; however, where the stock exchange has other provisions, such provisions shall apply.

Other than the circumstances referred to in the preceding paragraph, the resignation of a director shall become effective upon submission of his resignation report to the Board.

Article 139 Upon a director's resignation becoming effective or at the expiry of his office, the director shall complete all handover procedures with the Board, and his fiduciary obligations to the Company and the shareholders shall not necessarily cease after the termination of tenure and shall remain effective within one (1) year after the termination of tenure.

Article 140 No directors shall act, in their personal capacity, on behalf of the Company or the Board if not provided in these Articles of Association or appropriately authorised by the Board. A director shall, when acting in his personal capacity, state his standing and identity in advance whenever a third party may reasonably believe that the said director is acting on behalf of the Company or the Board.

Article 141 A director who violates any laws, administrative regulations, rules of regulatory authorities or these Articles of Association during the course of performing his duties shall be liable for indemnification to any loss so caused to the Company.

Section 2 The Board

Article 142 A Board of Directors of the Company shall be established to report to the Shareholders' general meeting.

Article 143 The Board shall consist of nine (9) members, including one Chairman, two (2) Vice Chairmen and three (3) independent directors.

Article 144 The Board shall exercise the following authority and powers:

- (1) to convene general meetings and report to the meetings;
- (2) to implement the resolutions passed at general meetings;

- (3) to determine the Company's business plans and investment schemes;
- (4) to prepare the Company's annual financial budget and final accounts;
- (5) to formulate the Company's profit distribution plan and loss recovery plan;
- (6) to formulate proposals for increases or reductions of the Company's registered capital and for the issuance and listing of corporate bonds or other securities;
- (7) to draft plans for material acquisition, share repurchase, merger, division, dissolution or change in corporate form;
- (8) to determine matters relating to the Company's external investment, asset acquisition and disposal, asset mortgage, external guarantee, asset management mandate, connected transaction and external donation within the authorisation of the general meeting;
- (9) to determine the establishment of the Company's internal management structure;
- (10) to decide on the appointment or dismissal of the Company's secretary of the Board, and to decide on their appraisal, remuneration, rewards and penalties; and pursuant to the Chairman's nominations, to decide on the appointment or dismissal of the senior officers including the president, vice presidents and chief financial officer, chief compliance officer and chief legal counsel of the Company and to decide on the appraisal, remuneration, rewards and penalties of the senior management personnel;
- (11) to formulate the Company's basic management system;
- (12) to formulate the proposed amendments to these Articles of Association;
- (13) to deal with information disclosures of the Company;
- (14) to propose to the general meeting for appointment or replacement of the accounting firms serving as the auditors of the Company;

- (15) to receive work report submitted by the Chairman and President and to review their performance;
- (16) to evaluate and determine the nature and extent of risks the Company is willing to take in achieving its strategic objectives, and to ensure that the Company establishes and maintains appropriate and effective risk management and internal control systems;
- (17) to supervise the management on the design, implementation and monitoring of the risk management and internal control systems;
- (18) to exercise other duties and powers specified in the laws, administrative regulations, rules of regulatory authorities or these Articles of Association.

Unless otherwise stipulated in these Articles of Association, the Board's resolutions on the matters set out in the preceding paragraph, save for items (6), (7) and (12) which shall require the consent of more than two-thirds of the directors, shall be passed by a simple majority of all directors.

Matters which are beyond authorisation of the general meeting shall be submitted to the general meeting for consideration.

Article 145 All external guarantees shall be passed by more than two-thirds of the directors present at the meeting of the Board and shall be passed by a simple majority of all directors, and the external guarantees specified in Article 57 of these Articles of Association shall also be considered and approved by a shareholders' general meeting.

Article 146 The Board shall give explanations at the shareholders' general meeting on the qualified audit opinions issued by certified public accountants on the Company's financial report.

Article 147 The Board shall formulate the rules of procedures for the Board to ensure its implementation of the resolutions passed at the general meeting to enhance efficiency and to ensure scientific decision-making.

Such rules of procedures as an appendix to these Articles of Association shall be formulated by the Board and subject to approval by the general meeting.

Article 148 In making decisions on issues such as external investments, acquisition, disposal and mortgage of assets, external guarantees, asset management mandate, connected transaction and external donation, the Board shall carry out strict examination, and organise relevant experts and professionals to make assessments on major projects, and then submit to the shareholders' general meeting for approval. The approval authority of the shareholders' general meeting and the board of directors in respect of the Company's transactions shall be specified in the Rules of Procedure for the General Meetings and the Rules of Procedure for the Board of Directors.

Article 149 The Board shall consist of one Chairman and two Vice Chairmen. The Chairman and Vice Chairman shall be elected and removed by a simple majority of votes (more than five (5) directors) of all directors. The executive directors are also the senior management of the Company.

Article 150 The Chairman of the Board shall perform the following duties and powers:

- (1) to preside over shareholders' general meetings and to convene and preside over board meetings;
- (2) to supervise and monitor the implementation of resolutions of board meetings, and report to the Board;
- (3) to sign share certificates, debentures and other quote securities of the Company;
- (4) to sign important documents of the Board and other documents which should be signed by the Company's legal representative;
- (5) to exercise the authority and powers of a legal representative;
- (6) to exercise special discretionary power on corporate affairs in accordance with laws and in the Company's interests in case of emergency situations such as the occurrence of natural disasters of an exceptional scale and other force majeure events, and provide aftermath reports to the Board and shareholders' general meeting;
- (7) to draft schemes for the establishment of the Company's internal management departments;
- (8) to draft the basic management systems of the Company;

- (9) to be responsible for submitting the annual work report and other reports to the Board of Directors;
- (10) to make proposals regarding the appointment or removal of the President, vice President, chief financial officers, secretary to the Board, chief compliance officer and other senior management personnel of the Company;
- (11) to appoint or remove key managerial officers (at grades higher than 10) other than those to be appointed or removed by the Board of Directors, to fix their remuneration, and to sign appointment contracts with them under the authorization of the Board of Directors upon consideration and approval by the Core Cadre Management Committee of the Company;
- (12) to propose to convene an interim meeting of the Board of Directors;
- (13) other duties and powers as authorised by these Articles of Association or the Board.

Article 151 The Vice Chairman shall assist the Chairman in performing his duties. If the Chairman is unable or fails to perform his duties, such duties shall be performed by the Vice Chairman jointly elected by a simple majority of all the directors. If both of the two Vice Chairmen are unable or fail to perform their duties, a director shall be elected jointly by more than half of all directors to perform such duties.

Article 152 Board meetings shall be held on a regular basis. The Board shall at least hold four (4) regular meetings each year. Board meetings shall be convened by the Chairman and written notice of the meeting shall be served on all directors and supervisors fourteen (14) days before the date of the meeting.

Article 153 An ad hoc meeting of the Board shall be convened and presided over by the Chairman within ten (10) days upon his receipt of a request for meeting under any of the following circumstances:

- (1) if deemed necessary by the Chairman;
- (2) if proposed by shareholders representing more than 10% of the voting rights;

- (3) if jointly proposed by more than 3 directors;
- (4) if proposed by the Supervisory Committee;
- (5) if jointly proposed by more than half of the independent directors.

Article 154 The form of notice of convening an extraordinary meeting of the Board shall be as follows: written notice of meeting shall be served on all directors and supervisors five (5) days before the date of the extraordinary meeting of the Board.

Article 155 A notice of board meeting shall set out the following information:

- (1) date and venue of the meeting;
- (2) duration of the meeting;
- (3) reason to convene such meeting and business to be discussed;
- (4) date of the notice.

Article 156 Meetings of the Board shall be held only if more than five (5) directors are present. Unless otherwise stipulated in these Articles of Association, resolutions of the Board must be passed by more than half of all directors (more than five (5) directors).

Each director shall have one (1) vote in respect of each resolution of the Board.

Article 157 When a director is considered a connected person of the enterprise involved in a resolution of the Board, such director shall refrain from voting on such resolution nor can he/she exercise any voting rights on behalf of others directors. The meeting may be held if it is quorated by more than one half of the unconnected directors. Resolutions of the board meeting shall be passed by more than one half of the unconnected directors. If the number of unconnected directors present at the board meeting is less than three, such matter shall be put forward to a shareholders' general meeting for discussion and consideration.

Article 158 As long as all directors can fully express their opinions, an extraordinary board meeting may be held by way of communication (such as videophone, telephone conference and facsimile), and resolutions passed shall be signed by all participating directors and kept by the secretary of the Board of Directors.

Article 159 Directors shall attend board meetings in person. If a director cannot attend board meeting due to whatever reasons, he/she may appoint another director in writing to attend on his/her behalf. The form of entrustment shall state the name of the proxy, the relevant matter to be entrusted, scope of authorization and validity period and shall be signed or sealed by the appointor. The director attending the meeting on other's behalf shall exercise his/her rights within the scope of authorisation. If a director cannot attend a board meeting and fails to appoint a proxy to attend the meeting on his behalf, the director shall be deemed to have waived his/her voting right at that meeting.

An independent director can entrust another independent director to attend board meetings on his behalf, but each board meeting shall be attended by at least two independent directors.

Article 160 The vote on board resolutions shall be taken by way of registered poll.

Article 161 Minutes shall be taken for decisions made on matters discussed at the meeting and directors attending the meeting, secretary to the Board and the person taking the minutes shall sign on the minutes. Directors attending the meeting shall have the right to request to record in the minutes details of the statements made by them at the meeting. The minutes of board meetings shall be kept by the secretary of the Board for a period of not less than ten (10) years.

Article 162 The minutes of board meetings shall include the following:

- (1) date and venue of the meeting and the name of the convenor;
- (2) names of the attending directors and names of those appointed by others to attend the board meeting;
- (3) agenda of the meeting;
- (4) main points of the statements of directors;
- (5) the method and results of voting for each resolution (the voting results shall clearly state the number of votes for or against the resolution or abstention).

Article 163 Directors shall sign on board resolutions and shall be accountable for the board resolutions. If a board resolution violates the laws, administrative regulations or these Articles of Association, resolutions of the general meeting thus causing serious losses to the Company, the directors participating in the resolutions shall be liable to compensate the Company for the losses. However, if it is verified that a director had stated his/her objection when voting and the same was recorded in the minutes, such director may be exempted from such liability.

Section 3 Independent Director(s)

Article 164 The Company shall have three independent directors. And at least one of them is an accounting professional.

Independent directors refers to directors who assume no other office except as a director in the Company, and have no direct or indirect interest relationship with the Company and substantial shareholders and de facto controller, or other relationships that may affect his/her independent and objective judgment.

Article 165 Independent directors shall have the duty to act in fidelity and conduct due diligence for the benefit of the Company and all its shareholders. An independent director shall exercise his/her duties seriously by playing a role of participation in decision-making, supervision and balance, and professional consultation in the Board of Directors, protect the interests of the Company as a whole and protect the legal interests of minority shareholders in accordance with laws, administrative regulations, the requirements of the CSRC and the provisions of the stock exchange(s) and the Articles of Association.

Article 166 An independent director shall perform his duties independently and not be affected by the Company and its substantial shareholders, de facto controller and other entities or individuals.

Article 167 Independent directors to be appointed shall satisfy the following requirements:

- (1) to be qualified for directors of listed companies as provided in laws, administrative regulations and other relevant regulations;
- (2) to be independent as required by administrative regulations and other relevant regulations;
- (3) to be in command of the basic knowledge of the operation of a listed companies, and be familiar with relevant laws, administrative regulations, and regulations and rules;

- (4) having at least five (5) years of work experiences in legal, accounting or economic areas or other experiences indispensable for performing the duties as independent directors;
- (5) possessing good personal integrity and no major breach of trust or other adverse records;
- (6) other conditions provided by laws, administrative regulations, regulations of the CSRC, the stock exchange(s) and these Articles of Association.

Article 168

Independent directors shall, in principle, serve as independent directors in a maximum of three domestic listed companies and shall ensure that they have sufficient time and energy to effectively fulfil their duties as independent directors.

Article 169

Independent directors shall be independent. The following persons shall not act as independent directors:

- (1) the employees of the Company or its subsidiaries, and their spouses, parents, children and major social connections (the major social connections refer to brothers and sisters, spouses of brothers and sisters, parents-in-law, brothers and sisters of spouses, daughters-in-law, sons-in-law, and parents of children's spouses);
- (2) the natural person shareholders directly or indirectly holding more than 1% of issued shares of the Company or any of the ten largest shareholders of the Company and their spouses, parents and children;
- (3) persons who holds a position in the shareholders directly or indirectly holding more than 5% of issued shares of the Company or any of the five largest shareholders of the Company and their spouses, parents and children;
- (4) persons serving in the subsidiaries of the Company's controlling shareholders and de facto controllers and their spouses, parents and children;
- (5) persons who have significant business dealings with the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, or who serve in the units with which they have significant business dealings and their controlling shareholders or de facto controllers;

- (6) persons providing financial, legal, consultation and sponsorship services to the Company, its controlling shareholders, de facto controllers or their respective subsidiaries, including, but not limited to, all members of the project team of the intermediary institution providing the services, reviewers at all levels, persons signing on the report, partners, directors, senior management and key persons in charge;
- (7) persons who fall into the categories set out in items (1) to (6) within the last twelve months;
- (8) other persons who are not independent as stipulated by laws, administrative regulations, regulations of the CSRC, the stock exchange(s) and these Articles of Association.

Article 170 The Board of Directors, the supervisory committee, or shareholders individually or jointly holding more than 1% of issued shares of the Company are entitled to nominate independent directors to be elected at the general meetings.

Article 171 Nominator(s) of independent directors shall obtain the consent of the nominee prior to any nomination. The nominator shall acquire all the personal particulars of his/her nominee as to their profession, education, job position, detailed work experiences, all part time jobs, whether there is material discredit and other bad records, and comment on their compliance with the independence requirement and other conditions for the post of independent directors. The nominee shall make announcement on their compliance with the independence requirement and other conditions for the post of independent directors.

Article 172 The nomination committee of the Board of Directors of the Company shall review the qualifications of the nominee and form a clear review opinion.

Before convening a shareholders' general meeting for the election of independent directors, relevant details shall be disclosed in accordance with Article 171 and the first clause of this article and the relevant information of all nominees (including, but not limited to, the nominator's declaration and undertaking, the candidate's declaration and undertaking, and the independent director's biographical details) shall be submitted to Shenzhen Stock Exchange no later than the time when the Company issues the announcement of the notice of the shareholders' general meeting convened for the election of independent directors. The relevant information submitted should be true, accurate and complete. The nominator should undertake in the declaration and undertaking that the nominee has no interest relationship with him/her and there are no other circumstances that may affect the independent performance of duties by the nominee.

In the case that the Board of Directors has objection to the relevant information on the nominees, a written opinion of the Board of Directors shall be also submitted.

In the event that the candidate is objected by Shenzhen Stock Exchange, the Company shall not propose any candidate to the general meeting for election. If the proposal has already been submitted, it shall be canceled.

Article 173 When holding a shareholders' general meeting for the election of independent directors, the Board of Directors of the Company shall clarify whether the candidate has been objected by the Shenzhen Stock Exchange.

Article 174 The term of office of the independent directors shall be the same as the other directors of the Company for each session, and they may be re-appointed consecutively on expiration, however, they shall not be re-appointed for six years.

Upon expiration of six years of the term of office, the independent directors may continue to act as directors but shall not be nominated as candidates for independent director of the Company for a period of 36 months from the date on which the aforementioned fact occurs.

Article 175 Independent directors shall fulfil the following duties:

- (1) to involve in the decision-making of the Board of Directors and provide explicit opinions on the matters discussed;
- (2) to supervise matters in accordance with the relevant regulations that indicate potential material conflict of interest between the Company and its controlling shareholders, de facto controllers, directors and senior management so as to ensure that the decisions of the Board of Directors are in line with the overall interests of the Company and to protect the legitimate interests of minority shareholders;
- (3) to provide professional and objective advice on the Company's operation and development, thereby facilitating the improvement in the decision-making of the Board of Directors;
- (4) other duties as stipulated by laws, administrative regulations, regulations of the CSRC, stock exchanges, and the Articles of Association.

Article 176 The independent Directors shall attend the Board meeting as scheduled, understand the Company’s production and operation, and actively investigate and obtain the conditions and information necessary for decision-making.

The independent directors shall submit the annual report to the Company’s annual general meeting to state the performance of their duties.

Article 177 In addition to the powers conferred by laws and administrative regulations, the Company shall grant the following special powers to the independent directors:

- (1) to independently engage an intermediary organisation to conduct audits, consultations or verifications on specific matters of the Company;
- (2) to make proposals to the Board of Directors to convene extraordinary general meetings;
- (3) to propose to convene the board meetings;
- (4) to collect voting rights from shareholders in a public way in accordance with the laws;
- (5) to express independent opinions on matters that may prejudice the interests of the Company or minority shareholders;
- (6) other duties as stipulated by laws, administrative regulations, regulations of the CSRC, stock exchanges, and the Articles of Association.

For performing the duties of items (1) to (3) as provided in the preceding article, independent directors shall obtain the consent of more than half of all independent directors.

The Company shall make disclosures in due course when independent directors exercise the authority provided in paragraph (1) of this article. In the case of failure to perform the duties and authorities stated above, the Company shall disclose the details and reasons.

Article 178 The following matters shall be submitted to the Board of Directors for consideration after being approved by a majority of all independent directors of the Company:

- (1) related-party transactions that shall be disclosed;
- (2) the proposal for change or waiver of commitments by the Company and related parties;
- (3) decisions made and measures taken by the Board of Directors for the acquisition of the Company;
- (4) other matters as stipulated by laws, administrative regulations, regulations of the CSRC, stock exchanges, and the Articles of Association.

Article 179 The Company shall provide all the necessary conditions to the independent director:

- (1) The Company shall ensure that independent directors are entitled to the same right to information as other directors. In order to ensure the effective performance of their responsibilities by the independent directors, the Company shall regularly inform the independent directors of the Company's operations, provide information, organise or cooperate with the independent directors to carry out site visits and other work.

The Company may organise independent directors to participate in the research and discussion sessions before the Board of Directors considers major and complicated matters, so as to fully listen to the opinions of the independent directors, and timely feedback to the independent directors on the adoption of opinions.

- (2) The Company shall give notice of Board meeting to independent directors in a timely manner, provide relevant meeting materials no later than the notice period of Board meeting stipulated by laws, administrative regulations, provisions of the CSRC, stock exchanges or the Articles of Association, and provide effective communication channels for the independent directors; for the meetings convened by the special committees of the Board of Directors, the Company shall in principle provide related materials and information no later than three days prior to convening the special committee meeting. The Company shall keep the above-mentioned meeting materials for at least ten years.

If two or more independent directors consider that the meeting materials are incomplete, insufficient or not timely provided, they may submit written proposal to the Board of Directors to postpone the meeting or the consideration of such matter, and the Board of Directors shall adopt it.

- (3) The Company shall provide necessary working conditions and personnel support to the independent directors in the performance of their duties, and designate the board office, the Board Secretary and other dedicated departments and dedicated personnel to assist independent directors in performing their duties.

The Board Secretary shall ensure the unimpeded access to information between the independent directors and other directors, senior management and other relevant personnel, and ensure that the independent directors have access to adequate resources and necessary professional advice when performing their duties.

- (4) In the exercise of powers by the independent directors, the directors, senior management and other relevant personnel of the Company shall cooperate with them practically and shall not refuse, obstruct, or conceal relevant information, or interfere with the exercise of their powers independently.

If an independent director encounters obstruction in the exercise of his/her duties and powers in accordance with the laws, he/she may explain the situation to the Board of Directors, request cooperation from the directors, senior management and other relevant personnel, and record the specific circumstances of the obstruction and the resolution of the situation in his/her work records; if the obstruction cannot be eliminated, he/she may report to the CSRC and the stock exchange(s).

Where the performance of duties by an independent director involves information that should be disclosed, the Company shall process the disclosure in a timely manner; where the Company does not disclose such information, the independent director may directly apply for disclosure, or report to the CSRC and the stock exchange(s).

- (5) The Company shall bear any necessary expenses incurred by the independent directors in engaging professional institutions and performing other duties and responsibilities.

- (6) The Company shall pay the independent directors subsidies appropriate to their duties and responsibilities. The standards of the said subsidies shall be proposed by the Board of Directors of the Company and approved by the general meeting and shall be disclosed in the annual report of the Company.

Apart from the above mentioned subsidies, the independent directors shall not acquire other interests from the Company and its substantial shareholders, de facto controllers or institutions and officers of common interests with the Company.

- (7) The Company could establish the insurance mechanism for independent directors to minimize risks possibly incurred by normal performance of the duties of the independent directors.

Article 180

The Company shall regularly or irregularly convene meetings attended by all independent directors (hereinafter referred to as the “**Special Meetings of Independent Directors**”). Matters listed in items (1) to (3) to paragraph 1 of Article 177 hereof and Article 178 shall be considered at the Special Meetings of Independent Directors.

The Special Meetings of Independent Directors may study and discuss other matters of the Company as needed.

The Special Meetings of Independent Directors shall be convened and chaired by an independent director jointly elected by more than half of the independent directors; in the event that the convenor is not performing his/her duties or is unable to perform his/her duties, two or more independent directors may convene the meeting on their own and elect a representative to chair the meeting.

The Company shall provide convenience and support for the convening of the Special Meetings of Independent Directors.

Article 181

An independent director who has not personally attended meeting of directors twice consecutively and does not appoint another independent director to attend on his/her behalf, the Board of Directors shall propose to convene a general meeting to remove him/her from his/her position as an independent director within thirty days from the date of such fact.

Article 182 An independent Director may be removed by the Company in accordance with legal procedures prior to the expiry of his term of office. In the case of any early removal of an independent director, the Company shall make a timely disclosure of the specific reasons and evidence. In case the independent director has an objection, the Company shall disclose in a timely manner.

Where an independent director does not comply with item (1) or (2) of Article 167 hereof, he/she shall immediately cease to perform his/her duties and resign from his/her position. If such resignation is not tendered, the Board of Directors shall remove such independent director from office in accordance with regulations immediately when it is aware or is deemed to be aware of the occurrence of such fact.

Where an independent director resigns or is removed from his/her position as a result of involving in the circumstances stipulated above, resulting in the proportion of independent directors to the Board of Directors or the special committees thereunder not complying with the provisions of relevant laws and regulations or the Articles of Association, or the absence of an accounting professional among the independent directors, the Company shall complete the by-election within sixty days from the occurrence date of the aforesaid fact.

Article 183 Any independent director may resign before the expiry of his/her terms. A resigning independent director shall deliver his/her written notice of resignation to the Board of Directors, and shall make a statement on any conditions related to his/her resignation or conditions which he/she considers the shareholder and creditor of the Company shall be brought to attention. The Company shall disclose the reasons for and concerns about the resignation of an independent director.

If the proportion of independent directors of the board of directors or the special committee(s) thereunder does not meet relevant requirements or provisions as provided in the Articles of Association, or the absence of an accounting professional among the independent directors, as a result of the resignation of an independent director, the independent director who intends to resign shall continue to perform his/her duties until the date on which a new independent director is appointed. The Company shall complete the by-election within sixty days from the date on which the independent director tenders his/her resignation.

Section 4 Secretary to the Board

Article 184 The Board shall have a secretary to the Board, who shall be a senior management member and report to the Board.

Article 185 The secretary to the Board shall have necessary professional expertise and related work experience, be familiar with corporate operations, have at least a college degree with a major in banking, securities, finance, accounting, law or business management, have good professional ethics and personal quality and obtain a Board Secretary Qualification Certificate issued by Shenzhen Stock Exchange, and shall be appointed by the Board of Directors of the Company.

Article 186 A person who falls within any of the following circumstances shall not serve as the secretary to the Board:

- (1) any of the circumstances specified in Article 129 hereof;
- (2) has been subject to any administrative penalty by the CSRC in last 3 years;
- (3) has been publicly reprimanded or criticized more than 3 times by any stock exchange in last 3 years;
- (4) is an existing supervisor of the Company;
- (5) any other circumstances that Shenzhen Stock Exchange considers such person being unsuitable to serve as the secretary to the Board of Directors.

Article 187 The primary duties of the secretary to the Board are:

- (1) to address and coordinate information disclosure of the Company, organize and formulate information disclosure management system of the Company, and urge the Company and relevant information disclosure obligors to observe relevant provisions concerning information disclosure;
- (2) to be responsible for organizing and coordinating the investor relations management of the Company, and coordinating the communication of information between the Company and securities regulatory authorities, shareholders and actual controllers, intermediaries and the media;

- (3) to organize and prepare Board meetings and shareholders' general meetings, attend shareholders' meetings, Board meetings, Supervisory Committee meetings and relevant meetings of the senior management personnel, and maintain and sign the minutes of Board meetings;
- (4) to be responsible for the confidentiality of information disclosure of the Company and promptly report to the Shenzhen Stock Exchange and make an announcement when significant undisclosed information is disclosed;
- (5) to pay attention to the rumours about the Company and take the initiative to verify the authenticity of such rumours, and urge the Board of Directors and other relevant entities to timely respond to the enquiries of the Shenzhen Stock Exchange;
- (6) to organize trainings for Directors, supervisors and senior management personnel as required by relevant laws, regulations and relevant regulations of the Shenzhen Stock Exchange, and assist them in understanding their respective responsibilities in information disclosure;
- (7) to urge the Directors, supervisors and senior management personnel to observe the laws and regulations, regulations of the Shenzhen Stock Exchange and the Articles of Association, and earnestly fulfil their commitments; when becoming aware that the Company, Directors, supervisors and senior management personnel make or may possibly make a decision in violation of the relevant provisions, he/she shall remind the related personnel and immediately report it to the Shenzhen Stock Exchange;
- (8) to be responsible for the management of changes in the Company's shares and derivatives, etc.;
- (9) to discharge such other duties as provided by the relevant laws, administrative regulations and other regulatory documents and the stock exchange.

Article 188

The Company shall take an active role in establishing an adequate system of investor relationship management and enhancing communications between the Company and its shareholders, especially its public shareholders, through various channels.

Article 189 For the purpose of exercising his/her duties and functions, the secretary to the Board is entitled to access the financial situation and business operation of the Company, to attend relevant meetings involving information disclosure, to consult all documents related to information disclosure, to request relevant departments and staffs of the Company to provide relevant documents and information at a appropriate time. If the secretary to the Board encounters improper or significant interruption when performing his duties, he/she may report directly to Shenzhen Stock Exchange.

Article 190 The Company shall submit relevant information on the candidate of the secretary to the Board to Shenzhen Stock Exchange in five business days prior to the meeting for election of the secretary to the Board. If Shenzhen Stock Exchange raises no objection within five business days after it receives such information, the Board of Directors may appoint such person.

Article 191 A director or other senior management personnel of the Company may concurrently serve as the secretary to the Board. No accountant of the accounting firm or attorney of law firm engaged by the Company shall concurrently serve as the secretary to the Board.

Where a director concurrently serves as the secretary to the Board and a certain act needs to be done by directors and the secretary to the Board respectively, he shall not do the act in his double capacities.

Article 192 The secretary to the Board shall be nominated by the chairman of the Board, and be appointed or removed by the Board of Directors.

The removal of the secretary to the Board shall have a good reason and shall not be unfair.

Upon removal of the secretary to the Board by the Company or resignation of the secretary to the Board, the Company shall promptly report to Shenzhen Stock Exchange to explain the reasons and publish an announcement thereof.

The secretary to the Board shall be entitled to submit a personal statement in respect of unfair removal by the Company or his/her resignation to Shenzhen Stock Exchange.

Article 193 The secretary to the Board shall be dismissed by the Company within one month from the date of the occurrence of one of the following circumstances:

- (1) any circumstance as stipulated under Article 186 hereof;
- (2) non-performance of duties for over three consecutive months;
- (3) significant errors and malpractice in the performance of his duties, causing material losses to investors;
- (4) violation of laws, administrative regulations, rules, other regulatory documents or these Articles of Association, causing material losses to investors.

Article 194 The Company shall appoint a secretary to the Board within three (3) months after the resignation of the former secretary to the Board.

During any vacancy in such office, the Board shall designate a director or senior management personnel to perform the duties of the Secretary to the Board and report the same to Shenzhen Stock Exchange, and determine a new secretary to the Board as soon as practicable. Prior to designation of a person to act as secretary to the Board, the Chairman shall perform the duties of the secretary to the Board.

Under special circumstances where the vacancy of the secretary to the Board has lasted for more than three months, the chairman of the Board shall take the office of the secretary to the Board and the appointment of the secretary to the Board shall be completed within 6 months.

Article 195 In addition to the appointment of the secretary to the Board, the Company shall appoint a securities affairs representative to assist the secretary to the Board to perform his/her duties. When the secretary to the Board is unable to implement his/her duties, the securities affairs representative shall implement his/her duties and execute his/her power on his/her behalf. Under the circumstances aforesaid, the responsibility of the secretary to the Board in respect of information disclosure shall not be automatically waived.

A securities affairs representative shall have attended the Board Secretary Qualification Certificate Training Course organized by Shenzhen Stock Exchange and shall obtain a Board Secretary Qualification Certificate.

Section 5 Special Committees under the Board of Directors

Article 196 The Board of Directors of the Company may set up several special committees, including the Strategy Committee, the Remuneration and Appraisal Committee, the Audit Committee, the Nomination Committee, the Risk Management Committee etc., so as to assist the Board in the execution of its duty, or give recommendations or advices on the decisions of the Board under the leadership of the Board. All such committees shall consist of directors. The members of the Audit Committee member shall be directors who do not serve as senior management of the Company. More than half of the members of the Remuneration and Appraisal Committee, the Audit Committee and the Nomination Committee shall be independent directors, who shall convene the meetings of such committees, and all members of the Audit Committee shall be non-executive directors. The Audit Committee shall consist of at least three members, while the convenor thereof shall have expertise in accounting. The Board of Directors shall be responsible for formulating the working rules of the special committees and governing the operation of the special committees.

Article 197 The main function of the Strategy Committee is to do research and make proposals on the long-term development strategy and major investment decisions of the Company.

Article 198 The main functions of the Remuneration and Appraisal Committee are:

- (1) to study and formulate the appraisal standards for the directors and senior management personnel, conduct such appraisal and make recommendations;
- (2) to make recommendations to the Board on the remuneration policy and structure for all directors and senior management personnel and on the establishment of formal and transparent procedures for developing such remuneration policy;
- (3) to make recommendations to the Board on the remuneration packages of directors and senior management personnel taking into account remuneration paid by comparable companies, time commitment and responsibilities of directors and employment conditions elsewhere in the Group;
- (4) to review the remuneration proposals for directors and senior management personnel of the Company with reference to the corporate objectives, business policies and goals established by the Board;

- (5) to review the compensation payable to executive directors and senior management personnel for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and reasonable and not excessive;
- (6) to review the compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; the compensation arrangements relating to dismissal or removal of any non-executive directors who are members of the Remuneration and Appraisal Committee for misconduct shall be reviewed by other members of the Remuneration and Appraisal Committee;
- (7) to ensure that no directors or any of their associates (as defined in Hong Kong Listing Rules) are involved in determining his/her own remuneration; the remuneration of any non-executive directors who are members of the Remuneration and Appraisal Committee shall be determined by other members of the Remuneration and Appraisal Committee who shall also make recommendations to the Board on such matter;
- (8) to formulate the equity incentive plans in accordance with the requirements of relevant laws, regulations or regulatory documents; to be responsible for considering and/or approving the administration of equity plans and matters relating to share schemes as described under Chapter 17 of the Hong Kong Listing Rules; and to be responsible for the administration of equity plans, including but not limited to reviewing the eligibility of participants, conditions of grant and conditions of exercise of the equity incentive plans; the equity incentive plans shall be submitted to the general meeting for approval according to the laws;
- (9) other matters authorized by the Board of Directors as well as other powers conferred by the laws, regulations, relevant regulatory rules in the jurisdictions where the shares of the Company are listed, the rules of procedures for the Board of the Company, terms of reference of the Remuneration and Appraisal Committee and the Board; should there be any inconsistency in the relevant regulatory rules in the jurisdictions where the shares of the Company are listed, the Remuneration and Appraisal Committee shall report its decisions or proposals to the Board.

Article 199 The main functions of the Audit Committee are:

- (1) to monitor and assess the performance of the external auditing job, to make proposals regarding the appointment or replacement of the external auditor;
- (2) to monitor and assess the internal auditing work, and to supervise the internal audit system of the Company and its implementation;
- (3) to be responsible for the coordination between the external auditing and the internal auditing;
- (4) to examine the financial information of the Company and the disclosure thereof;
- (5) to supervise and evaluate the internal control of the Company;
- (6) matters relating to laws and regulations, relevant regulatory rules in the place where the shares of the Company are listed, these Articles of Association, terms of reference of the Audit Committee of the Board of Directors and other matters authorized by the Board of Directors.

Article 200 The main functions of the Nomination Committee include:

- (1) to develop criteria and procedures for the selection of Directors and senior management, and to offer advice in this regard;
- (2) to select qualified Director candidates and senior management candidates;
- (3) to review the selection of Director candidates and senior management candidates and offer advice in this regard;
- (4) to deal with matters as stipulated in the laws and regulations, relevant regulatory rules in the place where the shares of the Company are listed, these Articles of Association, terms of reference of the Nomination Committee of the Board of Directors and other matters authorized by the Board of Directors.

Article 201 The Risk Management Committee is mainly responsible for the risk management, compliance management, establishment of internal control system and other related responsibilities of the Company, the specific responsibilities of which shall be stipulated in the relevant terms of reference.

Article 202 Each of the special committees can engage intermediaries to provide professional advice for its decision-making, and the relevant expenses shall be borne by the Company.

Article 203 The special committees shall report to the Board of Directors and their proposals shall be submitted to the Board of Directors for examination and approval.

Chapter 7 President and Other Senior Management Personnel

Article 204 The Company shall have one President and no more than six vice Presidents, who shall be appointed or removed by the Board of Directors based on the nominations of the Chairman. A director may be appointed to act concurrently as president, vice president or other senior management member, but the number of directors acting concurrently as president, vice president or other senior management personnel and the staff representative directors shall not exceed half of all the directors.

Article 205 The circumstances defined in Article 129 hereof with respect to disqualified directors of the Company are applicable to the President and other senior management personnel of the Company.

Requirements set out in Article 134 hereof with respect to the directors' duty of good faithfulness and the requirements set out in Article 135(4) to (6) hereof with respect to the directors' obligations of integrity and diligence shall also be applicable to the President and other senior management personnel.

Article 206 A person holding other executive duties other than directorship and acting as Supervisor in any entity of the Company's controlling shareholders and de facto controllers shall not hold the office of a senior management member of the Company. The senior management of the Company is paid only in the Company and is not paid on behalf of the controlling shareholder.

Article 207 The President shall serve for a term of 3 years and may serve consecutive terms if re-appointed.

Article 208 The President shall report to the Board of Directors and the Chairman when the Board of Directors is not in session, and have the following duties and powers:

- (1) to be in charge of and implement the management of daily production and operation of the Company, and to organize and implement the resolutions adopted by the Board of Directors;

- (2) to organize the implementation of the annual business plans and investment plans of the Company;
- (3) to coordinate the management of daily operation of subsidiaries;
- (4) to develop specific regulations of the Company;
- (5) to fix the salary, benefits, rewards and punishments of employees, to determine the employment and the dismissal of employees (other than those to be appointed or removed by the Board of Directors and the Chairman);
- (6) to be responsible for the design, implementation and supervision of the risk management and internal control system;
- (7) to be responsible for confirming to the Board of Directors about the effectiveness of the risk management and internal control system;
- (8) other duties and powers authorized by these Articles of Association, the Board of Directors or the Chairman.

The Vice President shall assist the President to perform his duties. In the event that the President is unable to perform his duties, other vice presidents designated by the Chairman shall fulfill the duties on behalf of the President. If both of the Chairman and the President fail to perform their duties, the Board of Directors shall decide the vice presidents who shall perform these duties on behalf of the Chairman and the President.

Article 209 The President shall be present at the meetings of the Board of Directors, but a non-director president shall not have the voting rights at such meetings.

Article 210 The Chairman and the President shall report to the Board of Directors or Supervisory Committee on the execution and implementation of any material contract or the use of funds and the profits and losses of the Company at the request of the Board of Directors or Supervisory Committee. The Chairman and the President shall ensure the truthfulness of such reports.

Article 211 In handling issues relating to the remuneration, benefits, safety production and labor protection, insurance, removal (or expulsion) of employees of the Company, the Chairman and President shall first consult with the trade union or the employee representatives meeting.

Article 212 The Company shall formulate detailed working rules for the President and submit the same to the Board of Directors for approval and, upon such approval, implement such rules.

Article 213 The detailed working rules formulated for the President shall include the following:

- (1) conditions and procedures for convening and participants of the meetings;
- (2) specific duties of the President, vice president and other senior management personnel;
- (3) the use of funds and assets of the Company, authority to enter into material contracts and systems for reporting to the Board of Directors and Supervisory Committee; and
- (4) other matters as deemed necessary by the Board of Directors.

Article 214 The Group Operation Management Committee is a regular discussion unit in charge of the daily operation management of the Company, which is responsible for jointly discussing and deciding on the significant decisions on the daily operations of the Company within its duties.

The Group Operation Management Committee shall have one chairman chaired by the President of the Company who shall be responsible for organizing, convening and presiding over relevant meetings. The Vice Chairman and members of the Group Operation Management Committee shall be elected from other senior management personnel of the Company. The relevant operational mechanism of the Group Operation Management Committee shall be established by the Company separately.

Article 215 The President may resign prior to the expiration of his term of office. The detailed procedures and methods for the President's resignation shall be set out in the service contract entered into between the President of the Company.

Article 216 The executive directors, the President and other senior management personnel shall be liable for any losses caused to the Company by their breach of any law, regulation, rule or these Articles of Association in performing their duties on behalf of the Company.

Senior management of the Company should faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If any senior management of the Company causes damage to the interests of the Company and its public shareholders due to failure in faithfully performing their duties or violation of his/her fiduciary duties, he/she shall be liable for compensation in accordance with the laws.

Chapter 8 Supervisory Committee

Section 1 Supervisors

Article 217 The circumstances stipulated in Article 129 of these Articles of Association under which a person shall not act as a director of the Company shall also be applicable to supervisors of the Company.

Article 218 Directors, the President and other senior management personnel of the Company shall not serve concurrently as supervisors.

Article 219 The supervisors shall abide by the laws, administrative rules and these Articles of Association. They shall perform the obligations faithfully and diligently and discharge the supervisory duties in good faith. They shall not abuse their authority of office to obtain bribes or other illegal income and not misappropriate the property of the Company.

Article 220 Each Supervisor shall serve for a term of three years. The term is renewable upon re-election and re-appointment.

Article 221 A supervisor may resign before the expiry of his tenure. The provisions regarding resignation of directors stipulated in Chapter 6 of these Articles of Association shall be applicable to supervisors.

- Article 222** In the event that the term of a supervisor falls upon maturity whereas new member of the supervisory committee is not re-elected in time or the resignation of any supervisor results in the number of members of the supervisory committee falling below the quorum, the existing supervisor shall continue to perform his duties in accordance with laws, administrative regulations and these Articles of Association until the re-elected supervisor assumes office. Where the stock exchange has other provisions, such provisions shall prevail.
- Article 223** Supervisors shall ensure the truthfulness, accuracy and completeness of the information disclosed by the Company, and shall sign written confirmation opinions on periodic reports.
- Article 224** Supervisors may attend board meetings as non-voting participants, and make enquiry or suggestion regarding matters to be resolved thereat.
- Article 225** Supervisors shall not use their relationship to prejudice the Company's interests, and shall be liable for indemnification to any loss so caused to the Company.
- Article 226** A supervisor who violates any laws, administrative regulations, rules of regulatory authorities or these Articles of Association during the course of performing his duties shall be liable for indemnification to any loss so caused to the Company.

Section 2 Supervisory Committee

- Article 227** The Company shall establish a supervisory committee. The supervisory committee shall comprise three supervisors, including a chairman, and the election or removal of whom shall be determined by the affirmative votes of two-thirds or more of the members of the supervisory committee.
- Meetings of the supervisory committee shall be convened and presided over by the chairman of the supervisory committee. Where the chairman of the supervisory committee is incapable of performing or fails to perform his/her duties, a supervisor elected by not less than half of the supervisors shall convene and preside over supervisory committee meetings.

Article 228 The supervisory committee shall consist of two (2) shareholder representatives and one employee representative. Supervisors representing shareholders shall be elected or removed by the shareholders' general meeting, while the supervisor representing employees shall be democratically elected or removed by the Company's employees at the general meeting of employees' representatives, employees' assembly or by other form of democratic election.

Article 229 The supervisory committee shall be accountable to the general meeting and perform the following duties and powers in accordance with laws:

- (1) to review and provide written opinions on the regular reports of the Company prepared by the Board;
- (2) to examine the Company's financial affairs;
- (3) to supervise the work of directors and senior management personnel and to propose removal of directors and senior management personnel who have violated laws, administrative regulations, these Articles of Association or resolutions of general meetings;
- (4) to demand rectification by directors and senior management personnel when the acts of such persons are harmful to the Company's interest;
- (5) to examine financial information such as the financial report, business report and profit distribution plan to be submitted by the Board to the shareholders' general meetings and, in case of doubt, to engage certified public accountants and practising auditors in the name of the Company to assist in the re-audit;
- (6) to propose to convene an extraordinary general meeting, and where the Board fails to perform the duties in relation to convening or presiding over a shareholders' general meeting as required by the Company Law, to convene and preside over the shareholders' general meeting;
- (7) to put forward proposals to general meetings;
- (8) to take legal actions against directors and senior management personnel in accordance with relevant requirements of the Company Law;

(9) to conduct investigations whenever unusual conditions of operation of the Company arises and if necessary, to engage professional institutions such as firms of accountants and lawyers to assist in the investigations at costs of the Company;

(10) other duties and powers specified by these Articles of Association.

Article 230 The supervisory committee shall meet at least once in every six (6) months and notice of the meeting shall be sent to all supervisors in writing 10 days before convening the meeting.

Article 231 Supervisors may propose the convening of an extraordinary meeting of the supervisory committee.

Article 232 The supervisory committee shall formulate the rules of procedures for the supervisory committee, specifying the consideration method and voting procedures of meetings in order to ensure its work efficiency and proper decision making.

The rules of procedures for the supervisory committee as an appendix to these Articles of Association shall be formulated by the supervisory committee, subject to approval by the general meeting.

Article 233 The notice of meeting of the supervisory committee shall include:

- (1) date and venue of the meeting and meeting period;
- (2) reasons of and matters to be proposed to the meeting for consideration;
- (3) date of the notice.

Section 3 Resolutions of the Supervisory Committee

Article 234 Resolutions of the supervisory committee shall be subject to the approval of more than two-thirds (inclusive) of all supervisors by voting.

Article 235 At meetings of the supervisory committee, votes shall be cast through a show of hands.

Article 236 The supervisory committee shall enter the matters considered into the minutes of the meeting. Supervisors attending the meeting and the person who takes the minutes shall sign on the minutes of the meeting. Each supervisor shall have the right to request that an explanation of his statement made at the meeting be recorded in the minutes. The minutes of supervisory committee meetings shall be maintained as corporate archives by the secretary to the Board for a period of 10 years.

Chapter 9 Party Committee of the Company

Article 237 According to the Party Constitution and with the approval of the Party organization at a higher level, the Company has established the Party Committee. The number of posts of the secretary, deputy secretary and members of the Party Committee of the Company shall be set up according to the approval of the Party Committee at a higher level, and shall be elected in accordance with the relevant provisions of the Party Constitution.

Article 238 The Party Committee of the Company shall play the leadership role, provide direction, manage the overall situation, ensure implementation, discuss and decide on significant matters of the Company in accordance with the regulations. The main functions of the Party Committee of the Company are:

- (1) to enhance the building of politics of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics as well as educate and guide all Party members to maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping as the core in the political stance, political direction, political principles and political path;
- (2) to thoroughly study and implement Xi Jinping thoughts on socialism with Chinese characteristics for a new era, learn and propagate the Party's theory, thoroughly implement the Party's lines, principles and policies as well as supervise and guarantee the implementation of major decisions and plans of the Party Central Committee as well as the resolutions of the Party organization at a higher level in the Company;
- (3) to investigate and discuss the significant operation and management matters of the Company and support the general meeting, the Board, the supervisory committee and the management to exercise their powers and perform their duties in accordance with the laws;

- (4) to first investigate and discuss the significant operation and management matters before they are submitted to the Board for determination in accordance with its duties and powers as well as the prescribed procedures;
- (5) to undertake the main responsibility in improving Party conduct and upholding integrity;
- (6) to strengthen the building of grassroot Party organizations and the Party member service, unite and lead officials and employees to devote themselves into the reform and development of the Company;
- (7) to lead mass organizations such as the trade union, Communist Youth League and Women's Organization of the Company.

Chapter 10 Obligations of Directors, Supervisors, President and Other Senior Management Personnel of the Company

Article 239 The validity of an act of directors, the President and other senior management personnel on behalf of the Company is not, via-a-vis a bona fides third party, affected by any irregularity in their office, election or qualification.

Article 240 In addition to the obligations required by the laws, administrative regulations or the listing rules of the stock exchange(s) on which the Company's shares are listed, directors, supervisors, President and other senior management personnel of the Company shall, in performing duties and powers conferred by Company, take the following obligations towards each shareholder:

- (1) not to cause the Company to go beyond the scope of business stipulated in its business license;
- (2) to act honestly in the best interests of the Company;
- (3) not to expropriate in any guise the Company's property, including but not limited to usurpation of opportunities advantageous to 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 shareholders' general meeting for approval in accordance with these Articles of Association.

Article 241 In exercising rights or fulfilling obligations, directors, supervisors, President and senior management personnel of the Company have the duty to act with due discretion, diligence and skills as a reasonable discreet person should do in similar circumstances.

Article 242 In performing their duties, directors, supervisors, President and senior management personnel of the Company shall follow the principle of good faith and shall not put themselves in a situation where their own interests may conflict with their obligations. This principle shall include (but not limited to) the fulfilment of the following obligations:

- (1) to act honestly in the best interests of the Company;
- (2) to exercise powers within the terms of reference without ultra vires;
- (3) to exercise the discretion vested in him personally and not to allow himself to act under the control of any other party; unless and to the extent permitted by laws, administrative regulations or with the consent of informed shareholders at a general meeting, not to delegate the exercise of his discretion;
- (4) to treat all shareholders equally and fairly;
- (5) unless otherwise stipulated in these Articles of Association or otherwise consented by informed shareholders at a general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (6) without the consent of informed shareholders at a general meeting, not to use the Company's property for his own benefits;
- (7) not to exploit his position to accept bribes or other illegal income or expropriate the Company's property by any means, including but not limited to usurpation of opportunities advantageous to the Company;
- (8) without the consent of informed shareholders at a general meeting, not to accept commissions in connection with any of the Company's transactions;
- (9) to abide by these Articles of Association, perform his official duties faithfully and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private benefits;

- (10) not to compete with the Company in any way unless with the informed consent of shareholders given in shareholders' general meeting;
- (11) not to misappropriate the Company's funds or lend such 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 debts of a shareholder of the Company or other individual(s) with the Company's assets;
- (12) unless otherwise permitted by informed shareholders at a general meeting, not to disclose the information acquired by him in confidentiality during his tenure; not to use such information other than in furtherance of the interests of the Company, save and except that disclosure of such information to the court or other competent government authorities is permitted in any of the following circumstances:
 - (i) when so prescribed by the laws;
 - (ii) when public interests so require;
 - (iii) when so required for the own interests of the director, supervisor, President or other senior management.

Article 243 The fiduciary duties of directors, supervisors, President and other senior management personnel of the Company shall not be necessarily ceased with the termination of their tenures. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of their tenures. Other duties may continue for such period as fairness may require depending on the time lapses between the termination and the act concerned and the circumstances and conditions under which the relationships with the Company are terminated.

Article 244 Except as provided in Article 54 hereof, directors, supervisors, President and any other senior management personnel of the Company may be relieved of liability for breaches of specific duties by the consent of informed shareholders at a general meeting.

Article 245 Where a director, supervisor, President and any other senior management personnel 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 an employment contract of a director, supervisor, President and any other senior management personnel with the Company), he shall declare the nature and extent of his interests to the Board at the earliest opportunity, whether or not the relevant issues shall be subject to approval of the Board under normal circumstances.

Subject to the exceptions as stipulated in these Articles of Association, a director shall not vote on any resolution of the Board in respect of any contract or arrangement or any other proposal in which he or any of his associates is materially interested; and he shall not be counted in the quorum of the relevant meeting.

Unless an interested director, supervisor, President and other senior management personnel has disclosed his interests to the Board in accordance with the first paragraph of this Article and the contract, transaction or arrangement was approved by the Board at a meeting at which such interested director, supervisor, President or other senior management personnel was not counted in the quorum and abstained from voting, the contract, transaction or arrangement is voidable at the instance of the Company, except as against a bona fide party thereto acting without being aware of the breach of duty by the interested director, supervisor, President or other senior management personnel.

A director, supervisor, President and other senior management personnel of the Company shall be deemed to be interested in a contract, transaction or arrangement in which any of his associates is interested.

Article 246 Where a director, supervisor, President and other senior management personnel of the Company gives to the Board, before the Company's first consideration of the entering of any contract, transaction or arrangement, a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in such contracts, transactions or arrangements which may subsequently be made by the Company, the content stated in such notice shall be deemed for the purposes of the preceding Article of this chapter to be a sufficient disclosure of the interests of the director, supervisor, President and other senior management personnel.

Article 247 The Company shall not in any manner pay taxes for or on behalf of its directors, supervisors, President and other senior management personnel.

Article 248 The Company shall neither directly or indirectly make a loan to or provide any loan guarantee to directors, supervisors, President and other senior management personnel of the Company and its parent, nor make a loan to or provide any loan guarantee to any of their respective associates.

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

- (1) the provision by the Company of a loan or a loan guarantee to a subsidiary of the Company;
- (2) the provision by the Company of a loan or a loan guarantee or any other funds to a director, supervisor, President and other senior management personnel of the Company to meet expenditures incurred by him for the purposes of the Company or for the purpose of enabling him to properly perform his duties, in accordance with the terms of an employment contract approved by shareholders at a general meeting;
- (3) the Company may make a loan to or provide a loan guarantee to any of the relevant directors, supervisors, President and other senior management personnel or their respective associates on normal commercial terms, provided that the ordinary course of business of the Company should include the lending of money or the provision of loan guarantees.

Article 249 A loan made by the Company in breach of the preceding Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Article 250 A loan guarantee provided by the Company in breach of the first paragraph of Article 248 of these Articles of Association shall not be enforceable against the Company, unless:

- (1) the guarantee was provided in connection with a loan to an associate of any of directors, supervisors, President and other senior management personnel of the Company or its parent and the lender was not aware of the relevant circumstances at the time the loan was advanced;
- (2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.

Article 251 For the purpose of the foregoing paragraphs of this chapter, a “guarantee” shall include an undertaking or property provided to secure the performance of obligations by the obligor.

Article 252 The Company may purchase liability insurance for its directors, supervisors, President and other senior management personnel subject to approval by the shareholders’ general meeting, and the liability insurance coverage shall be agreed by contracts, save for those liabilities arising from breach of laws, administrative regulations and provisions of these Articles of Association by the directors, supervisors, President and other senior management personnel of the Company.

Article 253 In addition to any rights and remedies provided by the laws and administrative regulations, where a director, supervisor, President or other senior management personnel of the Company is in breach of his duties to the Company, the Company shall have a right to:

- (1) claim damages from the director, supervisor, President and other senior management personnel 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, President and other senior management personnel or with a third party (where such third party is or should be aware that there is such a breach of obligations by the director, supervisor, President and other senior management personnel who acts on behalf of the Company);
- (3) demand an account of the profits made by the director, supervisor, President and other senior management personnel as a result of the breach of his obligations;
- (4) recover any monies received by the director, supervisor, President and other senior management personnel which should otherwise have been received by the Company, including but not limited to commissions;
- (5) require such director, supervisor, President and other senior management personnel to return the interests accrued or potentially accrued on the monies which otherwise should have been paid to the Company.

Article 254 The Company shall, with prior approval of shareholders at a general meeting, enter into a written contract with each director and supervisor on his remuneration.

The aforesaid remuneration shall include:

- (1) the remuneration for the office as a director, supervisor or senior management personnel of the Company;
- (2) the remuneration for the office as a director, supervisor or senior management personnel of a subsidiary of the Company;
- (3) the remuneration for providing management services for the Company and its subsidiaries;
- (4) the payment by way of compensation to a director or supervisor for his loss of office or retirement;

except under a contract mentioned in the foregoing paragraph, no proceedings may be brought by a director or supervisor against the Company for any benefits due to him in respect of the matters mentioned above.

Article 255 The contract on remunerations between the Company and its directors or supervisors shall provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to prior approval of shareholders at a general meeting, have the right to receive compensation or other payment in respect of his loss of office or retirement. A takeover of the Company referred to above includes any of the following circumstances:

- (1) a general offer made by any person to all shareholders;
- (2) an offer made by any person with a view to make the offeror the controlling shareholder (as defined in Article 55 of these Articles of Association).

Where the relevant director or supervisor is in breach of this Article, any sum so received by him shall belong to those who have sold their shares as a result of the acceptance of the said offer. The expenses incurred in distributing such sum pro rata shall be borne by the relevant director or supervisor and shall not be deductible from the sum.

Chapter 11 Financial and Accounting Systems, Profit Distribution and Audit

Section 1 Financial and Accounting Systems

Article 256 The Company shall establish its financial and accounting systems in accordance with laws, administrative regulations and the provisions of relevant departments of the PRC.

Article 257 The Company shall prepare a financial report at the end of each accounting year and the financial report shall be audited by an accounting firm pursuant to applicable laws. The Company shall deliver and disclose its annual report to the China Securities Regulatory Commission (“CSRC”) and Shenzhen Stock Exchange within 4 months from the conclusion of each accounting year. It shall deliver and disclose its interim report to Shenzhen Branch of the CSRC and Shenzhen Stock Exchange within 2 months from the conclusion of the first half of each accounting year. And its shall deliver and disclose its quarterly financial accounting reports to Shenzhen Branch of the CSRC and Shenzhen Stock Exchange within 1 month from the end of the first 3 months and first 9 months of each accounting year respectively.

The aforesaid report shall be drafted in accordance with the relevant laws, administrative regulations and the requirements of the CSRC and Shenzhen Stock Exchange.

The annual financial report of the Company shall be prepared in accordance with the PRC accounting standards, and also in accordance with international accounting standards or that of the place where the Company’s shares are listed, and the financial report shall be audited by PRC certified public accountants and international accountants pursuant to applicable laws. If there is any material difference between the financial reports prepared respectively in accordance with the aforesaid accounting standards, such difference shall be stated in the financial reports. When the Company is to distribute its after-tax profits, the lower of the after-tax profits as shown in the two financial statements shall be adopted.

In auditing the annual financial report of the Company, the certified public accountants shall issue a special statement in respect of any appropriation of funds by the Company’s controlling shareholders and other connected parties in accordance with relevant regulations, and the Company shall make an announcement on the same.

Article 258 The Company shall maintain no other accounts books other than a set of statutory accounts books. No asset of the Company shall be deposited into an account under the name of any individual.

Article 259 The Company shall allocate 10% of its profits to the statutory reserve of the Company when distributing its after-tax profits for the year, provided that no further appropriation is required if the accumulated statutory reserve exceeds 50% of the registered capital of the Company.

If the statutory reserve of the Company is insufficient to make up for the losses brought forward from the previous year, profits for the current year shall be applied to make up for such losses before making allocations to the statutory reserve in accordance with the aforementioned requirement.

Upon allocation of the after-tax profits to the statutory reserve, the Company may allocate a part of the after-tax profits to the discretionary reserve as approved by a resolution passed at the general meeting.

Upon making up for the losses incurred and allocating to the statutory reserve, the balance of after-tax profits shall be distributed to the Shareholders in proportion to their shareholding.

If the aforementioned regulations are violated at the general meeting where the Company distributes profits to the Shareholders prior to making up for losses and allocating to the statutory reserve, the Shareholders shall return to the Company the profits distributed as a result of violation of the regulations.

No profit shall be distributed in respect of the shares of the Company which are held by the Company.

Article 260 If there is any discrepancy between the profit of the Company as shown in the financial reports prepared in accordance with the PRC accounting standards and international accounting standards respectively as required by Article 257 of these Articles of Association, the profit distribution plan shall be based on the lower.

Article 261 The common reserve of the Company is used to make up for the losses of the Company, expand the business operation of the Company or increase the capital of the Company. However, capital reserve shall not be applied to make up for the losses of the Company.

Upon transfer from the statutory reserve to capital, the remainder of such reserve shall not be less than 25% of the registered capital of the company before such transfer takes effect.

Article 262 The Company adopts a continuous and stable profit distribution policy, and shall make dividend distributions in profit-making years. The Company may distribute dividend in the form of cash, bonus shares or both. When the conditions for cash dividend are satisfied, cash dividend shall be the priority method of profit distribution. In addition to annual cash dividend, the Company may also distribute interim cash dividend, provided that the accumulated cash distribution of profit for the last three years shall not be less than 30% of the average annual distributable profit of the Company of the last three years.

In the event that any adjustments or alterations are necessary to be made to the cash dividend distribution policy stated in the Articles of Association as a result of new requirements of laws and regulations and new provisions promulgated by securities regulatory authorities in relation to profit distribution policy of listed companies, as well as any material changes in external business environment or the Company's own operating conditions, the Board shall submit a proposal to be voted on at a general meeting after the supervisory committee has approved such proposal. The Company shall give full consideration to minority shareholders' opinions in this regard, and when convening a shareholders' general meeting, shall provide online voting and other channels for minority shareholders to participate in voting at such meeting. Any resolution of the shareholders' general meeting shall be passed by votes representing more than two-thirds of voting rights held by shareholders present at such shareholders' general meeting.

Article 263

The Board of the Company shall take various factors into consideration, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangements, and differentiate the following circumstances to propose a differentiated policy for cash dividend distribution pursuant to the procedures stipulated in these Articles of Association:

- (1) Where the Company is in a developed stage with no substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 80% of the total profit distribution;
- (2) Where the Company is in a developed stage with substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 40% of the total profit distribution;
- (3) Where the Company is in a developing stage with substantial capital expenditure arrangements, the dividend distributed in the form of cash shall not be less than 20% of the total profit distribution.

In the case that it is difficult to distinguish the Company's stage of development but the Company has significant capital expenditure arrangements, the profit distribution may be dealt with pursuant to the preceding provisions.

The profit distribution plan of the Company shall be proposed and prepared by the Board in accordance with the provisions of these Articles of Association and the actual operating condition of the Company. When formulating and considering the profit distribution plan, especially the specific proposal on cash dividend distribution, the Board shall conduct research and analysis on certain matters such as the timing, conditions, minimum proportion and conditions for adjustment in respect of the cash dividend distribution. When the independent directors consider that the specific plan of cash dividends might be detrimental to the interests of the Company or minority shareholders, they shall have the right to express independent opinions. The Board of Directors does not adopt or does not fully adopt the opinions of the independent directors, the opinions of the independent directors and the specific reasons for the non-acceptance shall be recorded in the board resolution and be disclosed.

The profit distribution plan of the Company shall be submitted to the shareholders' general meeting for approval after being considered and passed by the Board. Before the cash dividend distribution plan is considered at the shareholders' general meeting, different channels should be used to proactively communicate and interact with shareholders, in particular, the minority shareholders, and the Company shall fully hear the opinions and demands of minority shareholders and timely answer the questions raised by minority shareholders. Also, minority shareholders' opinions and requests shall be fully taken into consideration when the profit distribution plan is considered at the shareholders' general meeting.

After the profit distribution plan has been resolved at the shareholders' general meeting, the Board of the Company shall complete the distribution of dividends (or shares) within two months after the meeting. The amount of cash dividends to be distributed to the holders of overseas-listed shares shall be converted from Renminbi into Hong Kong dollar at the median rate announced by the People's Bank of China on the first business day immediately following the day on which the resolution has been passed at the shareholders' general meeting of the Company.

Article 264 The Company shall appoint a receiving agent for holders of overseas-listed foreign shares. The receiving agent shall receive the dividends distributed and other amounts payable by the Company to the shareholders in respect of overseas-listed foreign shares on such shareholders' behalf.

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

The receiving agent appointed on behalf of holders of overseas-listed foreign shares listed in the Hong Kong Stock Exchange shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

Section 2 Internal Audit

Article 265 The Company maintains an internal audit system, with professional audit personnel performing internal audit on the financial income and expenses and economic activities of the Company.

Article 266 The internal audit system and the duties of audit personnel shall be implemented upon the approval of the Board of Directors. The head of audit shall be accountable and report to the Board of Directors.

Section 3 Engagement of Accounting Firms

Article 267 The Company shall engage an accounting firm as required under the Securities Law to audit the Company's annual financial reports and review the Company's other financial reports, net assets verification and other related consulting services for a term of one year from the conclusion of the annual general meeting until the conclusion of the next annual general meeting. The appointment of accounting firm may be renewed upon the expiry of its term.

The Company may also, according to its needs, engage a foreign accounting firm which meets relevant requirements of the PRC to conduct audit and review of its financial reports.

Article 268 The Company's engagement and removal of an accounting firm shall be subject to the resolution of the general meeting, and the Board of Directors shall not engage the accounting firm until the general meeting makes its decision.

Article 269 The accounting firm engaged by the Company shall have the following rights:

- (1) To inspect the Company's financial statements, records and vouchers, and to request the Company's directors, President or other senior management to provide relevant information and explanations;
- (2) To request the Company to take all reasonable measures to obtain from its subsidiaries the information and explanations deemed necessary by the accounting firm in performing its functions;
- (3) To participate in shareholders' general meetings, obtain any meeting notices or other information about meetings which any shareholders are entitled to, and speak at any shareholders' general meetings on matters relating to its capacity as the accounting firm of the Company.

Article 270 The Company shall ensure the provision of true and complete accounting evidence, books of account, financial and accounting reports and other accounting data to the accounting firm engaged by it, and no refusal, withholding and false information are allowed.

Article 271 The audit fee of the accounting firm shall be ascertained by the shareholders' general meeting.

Article 272 Notwithstanding the terms of the contract between the accounting firm and the Company, the engagement of the accounting firm may be terminated prior to the expiry of its term at a shareholders' general meeting by an ordinary resolution. If the relevant accounting firm has the right to make claims against the Company on account of the termination, such right will not be prejudiced in this regard.

Article 273 If the Company intends to terminate or cease to renew the engagement of an accounting firm, a notice 60 days prior to the termination of engagement or renewal shall be given to that accounting firm. The accounting firm shall be entitled to make a statement at the shareholders' general meeting at the time of voting upon ceasing the engagement of such public accountants' firm.

Where the accounting firm tenders resignation, it shall explain to the shareholders' general meeting whether there are any improper practices of the Company.

Chapter 12 Notices and Announcements

Section 1 Notices

Article 274 Notices of the Company may be issued by the following methods:

- (1) by hand;
- (2) by post;
- (3) by announcement;
- (4) in a manner recognized by the securities competent authorities and stock exchange(s) on which the Company's shares are listed, or in a manner that is otherwise permissible under these Articles of Association.

Article 275 Any notice issued by the Company in the form of a public announcement shall be deemed to have been received by all relevant persons once it is published.

Article 276 Any notice for convening a shareholders' general meeting of the Company shall be given by way of an announcement.

Article 277 Any notice for convening a meeting of the Board of Directors of the Company shall be given by a notice in writing.

Article 278 Any notice for convening a meeting of the Supervisory Committee of the Company shall be given by a notice in writing.

Article 279 Unless otherwise stipulated in these Articles of Association, corporate communication (as defined in Hong Kong Listing Rules), such as notices, information or written statements, sent to holders of overseas-listed foreign shares by the Company may be delivered by hand or by prepaid post to the registered address of each holder of overseas-listed foreign shares. The Company may deliver its corporate communication in electronic way in accordance with the provisions of Hong Kong Listing Rules, provided that the Company has made appropriate arrangements and is in compliance with the provisions of Hong Kong Listing Rules regarding delivery of corporate communication in electronic way.

By giving a written notice to the Company, overseas-listed foreign shares holders of the Company may select receiving corporate communication from the Company either in electronic way or by post. The shareholder may also select only receive corporate communication in either Chinese or English or both Chinese and English. The shareholder may also give a written notice to the Company in advance within reasonable time to amend his or her choice of the mean to receive the aforesaid communication and language version(s) according to appropriate procedures.

Article 280 For notices of the Company delivered by hand, an acknowledgement of receipt shall be signed (or stamped) by the recipient and the date of delivery shall be the date on which the acknowledgement is signed; for notices delivered by post, the date of delivery shall be the fifth business day from the mail is delivered to the post office; for notices delivered by way of announcements, relevant announcement shall be published on the newspapers in compliance with the relevant requirements and the date of service shall be the date on which the first announcement is published.

Article 281 An accidental omission of giving notice of a meeting to a person entitled to receive such notice or such person's failure to receive such notice shall not invalidate the meeting or the resolutions adopted at the meeting.

Section 2 Announcements

Article 282 The “announcement” referred to in these Articles of Association, unless the context otherwise requires, for the purpose of the announcements to be issued to holders of domestic shares or announcements to be issued in China in accordance with relevant regulations and these Articles of Association, means announcements which are published in the newspapers or periodicals of China, and such newspapers and periodicals shall be those designated under the laws or administrative regulations of China or by the CSRC; for the purpose of announcement issued to holders of overseas-listed shares or announcements issued in Hong Kong in accordance with the relevant provisions and these Articles of Association, such announcements shall be issued in compliance with the requirements of the Hong Kong Listing Rules.

Article 283 The Company has designated any one of the Securities Times, China Securities Journal and Shanghai Securities News as the journal for publishing the Company’s announcements and other information which needed to be disclosed in relation to the A Shares. The Company has also designated the website of CNINFO (<http://www.cninfo.com.cn>) as the website for publishing the Company’s announcements and other information which needed to be disclosed in relation to the A Shares. The Company has designated the website of the Hong Kong Stock Exchange Limited (www.hkexnews.hk) as the website for publishing the Company’s announcements and other information which needed to be disclosed in relation to the H Shares.

If the Company’s information cannot be disclosed in a timely manner through abovementioned newspapers or website, the Company shall publish the relevant information disclosure contents on the website of the stock exchange and the media meeting the conditions specified by the CSRC.

Chapter 13 Merger, Division, Increment and Reduction in Registered Capital, Dissolution and Liquidation

Section 1 Merger, Division, Increment and Reduction in Registered Capital

Article 284 In relation to mergers or divisions of the Company, a proposal shall be put forward by the Board of Directors of the Company. After the same has been passed according to the procedures provided in these Articles of Association, the relevant approval procedures shall be completed in accordance with laws. Shareholders voting against the proposal for the merger or division of the Company shall be entitled to demand the Company or the shareholders consenting to the proposal for the merger or division of the Company to purchase their shares at a fair price. The resolution on the merger or division of the Company shall be kept as a special document, which shall be available for shareholders' inspection.

For holders of overseas-listed foreign shares of the companies listed in Hong Kong, the aforesaid document shall be despatched by mail.

Article 285 The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

A company that absorbs other company is known as merger by absorption whereby the company being absorbed shall be dissolved. The merger of two or more companies by the establishment of a new company is known as merger by the establishment of a new company whereby the merged companies shall be dissolved.

Article 286 As far as mergers are concerned, parties to the merger shall sign a merger agreement, and prepare the balance sheet and a list of property. The Company shall notify its creditors within 10 days, and shall make an announcement in one or more newspapers designated by the CSRC within 30 days from the date of passage of the resolution on the merger. Creditors may, within 30 days upon receipt of the notification, (or for creditors who have not received such notification, within 45 days after the date of announcement), request the Company to make repayments or provide corresponding guarantees in respect of its indebtedness.

Article 287 Upon merger of the Company, the subsisting company after the merger or a newly-established company shall succeed to the creditors' rights and indebtedness of parties to the merger.

Article 288 As far as divisions are concerned, property of the Company shall be split up accordingly.

Upon division, the parties relative to the division shall sign a division agreement, and prepare the balance sheet and a list of property. The Company shall notify its creditors within 10 days, and shall make an announcement in one or more newspapers designated by the CSRC within 30 days from the date of passage of the resolution on the division.

Article 289 The indebtedness of the Company prior to the division shall be jointly assumed by the companies which exist after the division unless otherwise agreed between the Company and its creditors under a written agreement in relation to the settlement of debts prior to the division.

Article 290 As far as reductions in its registered capital are concerned, the Company shall prepare the balance sheet and a list of property.

The Company shall notify its creditors within 10 days from the date of passage of the resolution on such reduction, and shall make an announcement within 30 days from the same date on media designated for information disclosure in these Articles of Association. Creditors are entitled to, within 30 days upon receipt of the notification, or for creditors who have not received such notification, within 45 days after the date of announcement, request the Company to make repayments or provide corresponding guarantees in respect of its indebtedness.

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

Article 291 In the case that merger or division of the Company results in any changes in registered particulars, modifications of registration shall be completed with the company registration authority according to law; in the case of dissolution, the deregistration shall be made according to law; in the case of the establishment of a new company, the registration of incorporation shall be made according to law.

Increment or reduction in the registered capital of the Company must be registered with the company registration authority according to law.

Section 2 Dissolution and Liquidation

Article 292 The Company shall be dissolved upon the occurrence of any of the following events:

- (1) The term of operation prescribed by these Articles of Association expires or any other cause for dissolution specified in these Articles of Association arises;
- (2) A resolution on dissolution has been passed at a shareholders' general meeting;
- (3) The Company has to be dissolved as a result of its merger or division;
- (4) The Company is declared bankruptcy pursuant to law due to its failure to repay debts due;
- (5) The business license has been cancelled or the Company has been ordered to close down its operations, or it has been wound up according to laws;
- (6) A shareholder who holds more than 10% of the voting rights of all shareholders may petition the people's court to dissolve the Company on the basis that there are serious difficulties in the operation and management of the Company whose subsistence will significantly jeopardise the shareholders' interests and that such difficulties cannot be resolved by any other means.

Article 293 Upon the occurrence of the situation mentioned in Item (1) of Article 292, the Company may continue to exist by amending these Articles of Association.

The amendment of these Articles of Association pursuant to the preceding paragraph shall be subject to the approval of more than two-thirds of the voting rights held by the shareholders present at the shareholders' general meetings.

Article 294 If the Company is dissolved pursuant to Items (1) and (2), (5) and (6) of Article 292 hereof, a liquidation team shall be formed to start the liquidation within 15 days from the date on which the causes for dissolution arise. The liquidation team shall be composed of the personnel determined by the Directors or at a shareholders' general meeting. If no liquidation team is formed for the purpose of liquidation within the time limit, a creditor may lodge an application to the people's court for designating the relevant persons to form the liquidation team in respect of the liquidation.

Article 295 The liquidation team shall exercise the following functions and powers during the course of liquidation:

- (1) To sort out the Company's property and prepare the balance sheet and a list of property;
- (2) To make notices or announcements to creditors;
- (3) To deal with and settle the outstanding business of the Company in relation to the liquidation;
- (4) To pay the outstanding taxes and taxes incurred during the course of liquidation;
- (5) To settle all creditors' rights and indebtedness;
- (6) To dispose of the Company's residual assets after the settlement of its liabilities;
- (7) To attend any civil proceedings on behalf of the Company.

Article 296 The liquidation team shall notify creditors within 10 days, and shall make an announcement in one or more newspapers designated by the CSRC within 60 days, from the date of formation. Creditors shall report its claims to the liquidation team within 30 days after the date of receipt of the notice, or within 45 days after the date of the announcement if no notice is received.

In reporting a claim, a creditor shall explain the relevant particulars of its claim and provide supporting materials. The liquidation team shall register the claim.

During the period of reporting claims, the liquidation team shall make no settlement with creditors.

Article 297 After the Company's property has been sorted out and the balance sheet and a list of property have been prepared, the liquidation team shall formulate a proposal for liquidation and report the same to the shareholders' general meeting or the people's court for confirmation.

The residual property after the respective settlement of the liquidation expenses, staff wages, social insurance expenses and statutory compensation, the payment of taxes in arrears and the discharge of the Company's liabilities shall be distributed according to shareholdings held by the shareholders.

During the period of liquidation, the Company shall subsist, but cannot carry on any operating activities that are not related to the liquidation. The property of the Company shall not be distributed among the shareholders before the completion of the settlements as provided for in the preceding paragraph.

Article 298 The liquidation team shall apply to the people's court for the declaration of bankruptcy according to law if they find that the Company's property is insufficient to settle its indebtedness after the Company's property has been sorted out and the balance sheet and a list of property have been prepared.

If the Company declares its bankruptcy pursuant to a ruling of the people's court, the liquidation team shall transfer the liquidation affairs to the people's court.

Article 299 After the completion of the liquidation of the Company, the liquidation team shall prepare a liquidation report and submit the same to a shareholders' general meeting or the people's court for confirmation, and shall file the aforesaid documents with the company registration authority for the purpose of applying for the deregistration of the Company. An announcement of the termination of the Company shall be made.

Article 300 Members of the liquidation team shall perform their duty honestly and discharge the obligation of liquidation in accordance with laws.

Members of the liquidation team shall not take personal advantage of their posts to take bribes, receive other illegal incomes, or misappropriate assets of the Company.

Members of the liquidation team shall compensate the losses brought to the Company or the creditors due to their intentional or gross negligence.

Article 301 If the Company is declared bankruptcy pursuant to law, bankruptcy liquidation shall be carried out in accordance with laws regarding enterprise bankruptcy.

Chapter 14 Amendments to Articles of Association

Article 302 The Company may amend these Articles of Association in accordance with the relevant provisions of the laws, administrative regulations and these Articles of Association. The Company shall amend these Articles of Association under any of the following circumstances:

- (1) Following amendments to the Company Law or the relevant laws or administrative regulations, any provisions of these Articles of Association contravene the amended laws or administrative regulations;
- (2) Any changes in the Company are inconsistent with the provisions of these Articles of Association;
- (3) Amendments to these Articles of Association are resolved at a shareholders' general meeting.

Article 303 Any amendment to these Articles of Association passed by a resolution at a shareholders' general meeting shall be filed with the original competent authorities for approval if it is so required; and if an amendment is relevant to any registration items of the Company, modifications of the registration shall be completed according to law.

Article 304 Amendments to these Articles of Association shall be made by the Board of Directors in accordance with a resolution tabled at a shareholders' general meeting on amendments to these Articles of Association and opinions of the relevant competent authorities on review and approval.

Article 305 Any amendment to these Articles of Association shall be subject to announcement if so required by the laws and administrative regulations.

Chapter 15 Dispute Resolution

Article 306 The Company shall comply with the rules on dispute resolution set forth as follows:

- (1) Whenever any disputes or claims arise from any rights or obligations conferred or imposed by these Articles of Association, the Company Law or other relevant laws and administrative regulations concerning the affairs of the company between a holder of overseas-listed foreign shares and the Company; or between a holder of overseas-listed foreign shares and a director or supervisor or the President or other senior management personnel of the Company; or between a holder of overseas-listed foreign shares and a holder of domestic shares, the parties concerned shall resolve such disputes and claims through arbitration.

Where a dispute or claim described above is referred to arbitration, the entire dispute or claim shall be resolved through arbitration; all persons who have 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, if they are a company or its shareholders, directors, supervisors, President or other senior management personnel, shall submit to arbitration.

Disputes over who is a shareholder and over the share register may be resolved by any means other than arbitration.

- (2) The party seeking arbitration may elect to have the dispute or claim arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or by the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once the party seeking arbitration submits a dispute or claim to arbitration, the other party must submit to the arbitral body selected by the party seeking the arbitration.

If the party seeking arbitration elects to have the dispute or claim arbitrated at the Hong Kong International Arbitration Centre, then either party may apply to have such arbitration conducted in Shenzhen according to the securities arbitration rules of the Hong Kong International Arbitration Centre.

- (3) The laws of the People's Republic of China shall govern the arbitration of disputes or claims described in Item (1) above, unless otherwise provided by law or administrative regulations.
- (4) The award of the arbitral body is final and shall be binding on the parties thereto.

Chapter 16 Supplemental Provisions

Article 307 Definitions

- (1) A controlling shareholder shall mean a shareholder who holds more than 50% of the total share capital of the Company or who holds less than 50% of the total share capital but holds voting rights sufficient to have a material impact on resolutions of the shareholders' general meeting.
- (2) A de facto controller shall mean any person who is not a shareholder of the Company, but has de facto control over actions of the Company through the investment relationship, an agreement or other arrangements.
- (3) Connected relationship shall mean the relationship between a controlling shareholder, de facto controller, director, supervisor or senior management personnel of the Company and their directly or indirectly controlled enterprises and other relationships which may result in the transfer of the Company's interests. However, state-owned enterprises may not have connected relationships merely because they are under common control of the State.
- (4) Accounting firms shall have the same meaning as "auditors".

Article 308 The Board of Directors may formulate by-laws pursuant to the provisions of these Articles of Association. Such by-laws shall not be in conflict with the provisions of these Articles of Association.

- Article 309** Any matters not covered in these Articles of Association shall be executed in accordance with the relevant provisions of national laws, regulations, departmental rules, mandatory regulatory documents and the stock exchange(s) on which the Company is listed. Should there be any inconsistency between these Articles of Association and the relevant provisions of national laws, regulations, departmental rules, mandatory regulatory documents and the stock exchange(s) on which the Company is listed, the national laws, regulations, departmental rules, mandatory regulatory documents and rules of the Hong Kong Stock Exchange shall prevail.
- Article 310** These Articles of Association is written in Chinese, and the Chinese version of the Articles of Association, which has the approved registration made by the Market Supervision Administration of Shenzhen Municipality most recently, should prevail, if there is difference among the various versions in different languages.
- Article 311** All references to “over”, “within” and “below” in these Articles of Association shall be inclusive of the stated figure; all references to “not more than”, “other than”, “lower than”, “more than”, “over” and “exceed” shall be exclusive of the stated figure; while a reference to “include” means including but not limited to relevant matters or issues stated.
- Article 312** It shall be the responsibility of the Board of Directors of the Company to interpret these Articles of Association. These Articles of Association shall come into effect from the date when approved by the general meeting of the Company.