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麗珠醫藥集團股份有限公司

LIVZON PHARMACEUTICAL GROUP INC.*

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

(Stock code: 1513)

Overseas Regulatory Announcement

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Set out below is the "Articles of Association (Subject to shareholders' approval）" of Livzon Pharmaceutical Group Inc.* published on the website of the Shenzhen Stock Exchange, which is set out herein for information purpose only.

The abovementioned announcement is prepared in Chinese, if there is any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

By order of the Board
Livzon Pharmaceutical Group Inc.*
麗珠醫藥集團股份有限公司
Liu Ning
Company Secretary

Zhuhai, China
23 October 2025

As at the date of this announcement, the Executive Directors of the Company are Mr. Tang Yanggang (President) and Mr. Xu Guoxiang (Vice Chairman and Vice President); the Non-Executive Directors of the Company are Mr. Zhu Baoguo (Chairman), Mr. Tao Desheng (Vice Chairman), Mr. Lin Nanqi and Mr. Qiu Qingfeng; and the Independent Non-Executive Directors of the Company are Mr. Bai Hua, Mr. Tian Qiusheng, Mr. Wong Kam Wa, Mr. Luo Huiyuan and Ms. Cui Lijie.

* *For identification purpose only*

* *English translation of this document is for reference only, if there are discrepancies between the Chinese version, the Chinese version shall prevail.*

LIVZON PHARMACEUTICAL GROUP INC.*
麗珠醫藥集團股份有限公司

Articles of Association
（Subject to shareholders' approval）

October 2025

* *For identification purpose only*

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CHAPTER 1 GENERAL PROVISIONS

Article 1 In a bid to safeguard the legitimate rights and interests of Livzon Pharmaceutical Group Inc.* (麗珠醫藥集團股份有限公司) (hereinafter referred to as the "Company"), its shareholders, employees and creditors, and to regulate the organization and activities of the Company, the Company formulated the Articles of Association in accordance with the Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), the Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), the Reply of the State Council on the Adjustment of the Notice Period for General Meetings and Other Matters Applicable to Overseas Listed Companies, 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 the Guidelines on Articles of Association of Listed Companies (2025) and other relevant regulations.

Article 2 The Company is a joint stock limited company incorporated pursuant to the Company Law and other relevant laws and regulations in the PRC.

The Company was established by way of promotion with seven promoters namely, Macau Nanyue (Group) Co., Ltd. (澳門南粵(集團)有限公司), Guangdong Medicine Group Co., Ltd. (廣東省製藥工業公司), Zhuhai Credit Cooperative Union (珠海市信用合作聯社), Zhuhai Medicine Corporation (珠海市醫藥總公司), Guangzhou Medicines & Health Products Imp. & Exp. Corp. (廣州醫藥保健品進出口公司), Zhuhai Trust and Consultancy of the Bank of China (中國銀行珠海信託諮詢公司) and Zhuhai Guihua Employees Mutual Aid Association (珠海桂花職工互助會) pursuant to the approval documents [1992] No. 29 issued by Zhuhai Economic System Reform Commission (珠海市經濟體制改革委員會) and [1992] No. 45 jointly issued by Joint Examination Group for Pilot Joint Stock Enterprise in Guangdong Province (廣東省企業股份制試點聯審小組) and Guangdong Economic System Reform Committee (廣東省經濟體制改革委員會). The Company completed its registration with the Administration of Industry and Commerce of Zhuhai (珠海市工商行政管理局) on 26 January 1985, and obtained the business licence for body corporate. The number of the business licence was Qi He Yue Zhu Zong Zi No.001111 (企合粵珠總字第 001111號).

Article 3 In April 1993, pursuant to Yue Zheng Jian Fa Zi [1993] No. 001 document (粵證監發字[1993]001號文) issued by Guangdong Securities Regulatory Committee (廣東省證券監督管理委員會), Shen Ren Yin Fu Zi [1993] No. 239 document (深人銀複字[1993]第239號文) issued by Shenzhen Special Economic Zone branch of the People's Bank of China (中國人民銀行深圳經濟特區分行), the Company issued 28,280,000 domestically listed foreign-invested shares (B Shares) that were subscribed by overseas investors in foreign currencies. These shares were granted approval for listing and trading on the B Share Market of the Shenzhen Stock Exchange on 20 July 1993.

In July 1993, pursuant to Yue Zheng Jian Fa Zi [1993] No. 003 document (粵證監發字[1993]001號文) issued by Guangdong Securities Regulatory Committee (廣東省證券監督管理委員會) and Zheng Jian Fa Shen Zi [1993] No. 19 document (證監發審字[1993]19號文) issued by China Securities Regulatory Commission (the "CSRC"), the Company issued 13,000,000 A Shares to the public by way of initial public offering. These shares were granted approval for listing and trading on the A Share Market of the Shenzhen Stock Exchange on 28 October 1993.

Article 4 The registered Company name (in Chinese): 麗珠醫藥集團股份有限公司

The Company name (in English): LIVZON PHARMACEUTICAL GROUP INC.

Article 5 Company Address: Headquarters Building, 38 Chuangye North Road, Jinwan District, Zhuhai

Postal code: 519090

Article 6 The registered capital of the Company is RMB939,009,646.

Article 7 The Company is a joint stock limited company with perpetual existence.

Article 8 The Chairman of the Company shall represent the Company in executing the Company's affairs and shall be its legal representative. A Director serving as the legal representative who resigns shall be deemed to have simultaneously resigned as the legal representative. If the legal representative resigns, the Company shall appoint a new legal representative within thirty days from the date of the legal representative's resignation.

The legal consequences of civil activities conducted by the legal representative in the name of the Company shall be borne by the Company. Restrictions on the authority of the legal representative under the Articles of Association or resolutions of the shareholders' meeting shall not be asserted against a third party acting in good faith. If the legal representative causes damage to others while performing duties, the Company shall assume civil liability. After the Company has assumed the civil liability, it may, in accordance with the law or the provisions of the Articles of Association, seek recourse against the legal representative at fault.

Article 9 The liability of a shareholder of the Company shall be limited to the proportion of shareholdings held by it. The Company shall bear its liabilities with all of its assets.

Article 10 From the date when the Articles of Association took effect, it shall become the document legally binding the governance over the organization and activities of the Company, as well as the relationship between the Company and its shareholders and that between the shareholders. It shall be legally binding on the Company and its shareholders, Directors and senior management officers. All the aforementioned persons shall be entitled to, pursuant to the Articles of Association, put forward claims concerning the affairs of the Company. Shareholders may, in accordance with the Articles of Association, bring litigation against each other. The shareholders may bring litigations against the Directors, President and other senior management officers of the Company. The shareholders may bring litigation against the Company. The Company may bring litigation against shareholders, Directors, President and other senior management officers.

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

Article 11 Other senior management officers as referred to in these Articles are the vice presidents, secretary to the Board, and Chief Financial Officer of the Company.

Article 12 The Company shall establish an organization of the Communist Party to carry out the activities of the Party in accordance with the requirements under the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities organized by the Party.

CHAPTER 2 BUSINESS OBJECTIVES AND SCOPE

Article 13 The business objectives of the Company are: to commit in a business that can revive human lives. The development shall be led by technologies and based on industrial productions, which integrates technologies, industrial productions and trading. The Company is diversified, export-oriented with a multi-national operation. Economic efficiency shall be improved continuously, and shall result in contributing to the development of pharmaceuticals and healthcare industries.

Article 14 The scope of business for the Company as approved by the company registration authorities is: the production and sales of bulk medicines for traditional Chinese and Western medicines, pharmaceutical intermediates, traditional Chinese herbal medicines, traditional Chinese medicine drink tablets, medical equipment, sanitary materials, healthcare products, medical cosmetics, over-the-counter drugs for traditional Chinese and Western medicine, biochemical reagents, as well as chemicals, food, information business, bulk medicines, and pharmaceutical diagnostic equipment and reagents; research and development of new drug products, transfer of technology achievements; management services; leasing of pharmaceutical diagnostic equipment; import & export of proprietary products and relevant auxiliary service; wholesale of over-the-counter traditional Chinese medicines, chemical bulk medicines and their preparations, antibiotics bulk medicines and their preparations, biological products (except for preventive biological products), biochemical drugs (where those products are administrated with quota license or special regulations, they shall be subject to the relevant national rules; for other projects that require administrative permits, the Company shall only engage in the same upon the approval being obtained).

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 approval from examination and approval departments authorized by the State Council, 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.

Shares of the same class issued at the same time shall have the same terms of issuance and issue price; subscribers shall pay the same amount for each of the shares they subscribed.

Article 17 The par value shares issued by the Company shall have a par value denominated in Renminbi of RMB1 per share.

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

Article 18 Subject to the approval from securities competent authorities under the State Council, the Company may issue shares to both domestic investors and foreign investors.

"Foreign investors" referred to in the preceding paragraph represent investors domiciled in foreign countries and Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan Province of China 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.

Article 19 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 overseas shall be referred to as "overseas-listed foreign-invested shares". Overseas-listed foreign-invested shares of the Company listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") shall be referred to as "H Shares".

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 paragraph 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 share prices to the Company.

Subject to the approval from securities regulatory authorities under the State Council, shareholders of domestic-invested shares of the Company may transfer their shares to foreign investors and have the shares listed and traded overseas. The shares transferred shall comply with the regulatory procedures, provisions and requirements of the overseas securities market when listed and traded on an overseas stock exchange. The listing and trading of the transferred shares on an overseas stock exchange are not subject to the voting at a class meeting.

Article 20 A Shares issued by the Company are deposited with Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. H Shares issued by the Company are deposited with Hong Kong Securities Clearing Company Limited.

Article 21 The total number of ordinary shares in issue by the Company at the time its establishment was approved was 142,880,000 shares. Upon its establishment, the Company issued 63,840,000 ordinary shares to its promoters, which accounted for 44.68% of the total number of ordinary shares of the Company in issue then. Of which: 15,200,000 shares were held by Macau Nanyue (Group) Co., Ltd. (澳門南粵(集團)有限公司), representing 10.64% in the total number of shares of the Company in issue then; 14,482,560 shares were held by Guangdong Medicine Group Co., Ltd. (廣東省製藥工業公司), representing 10.14% in the total number of shares of the Company in issue then; 9,837,440 shares were held by Zhuhai Credit Cooperative Union (珠海市信用合作聯社), representing 6.89% in the total number of shares of the Company in issue then; 9,344,960 shares were held by Zhuhai Medicine Corporation (珠海市醫藥總公司), representing 6.54% in the total number of shares of the Company in issue then; 8,317,440 shares were held by Guangzhou Medicines & Health Products Imp. & Exp. Corp. (廣州醫藥保健品進出口公司), representing 5.82% in the total number of shares of the Company in issue then; 3,617,600 shares were held by Zhuhai Trust and Consultancy of the Bank of China (中國銀行珠海信託諮詢公司), representing 2.53% in the total number of shares of the Company in issue then; 3,040,000 shares were held by Zhuhai Guihua Employees Mutual Aid Association (珠海桂花職工互助會), representing 2.13% in the total number of shares of the Company in issue then. Each promoter provided its contribution in the form of net assets and was provided in September 1992.

Article 22 Following the establishment of the Company, after public issuance of shares, rights issue, creation of bonus shares by transfer of capital reserve and undistributed profit and repurchase of foreign-invested shares, the share capital structure of the Company is changed as follows: 295,721,852 ordinary shares, of which 183,728,498 shares are domestic-listed domestic-invested shares, representing 62.13% of the total number of issued ordinary shares of the Company and 111,993,354 shares are domestic-listed foreign-invested shares, representing 37.87% of the total number of issued ordinary shares of the Company.

As approved by a special resolution passed at the shareholders' meeting and authorized by securities regulatory authorities under the State Council, the Company's domestic-listed foreign-invested shares are converted into overseas-listed foreign-invested shares listed on The Hong Kong Stock Exchange by way of introduction for trading.

After the aforesaid domestic-listed foreign-invested shares converted into overseas-listed foreign-invested shares are listed on The Hong Kong Stock Exchange by way of introduction for trading, the share capital structure of the Company is as follows: 295,721,852 ordinary shares, of which 111,993,354 shares are held by holders of overseas-listed foreign-invested shares (H Shares) and 183,728,498 shares are held by holders of domestic-listed domestic-invested shares, representing 37.87% and 62.13% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting and filed with no objection by the CSRC, after the completion of the first grant under the Restricted Shares Incentive Scheme by the Company, the share capital structure of the Company is changed as follows: 304,382,252 ordinary shares, of which 192,388,898 shares are domestic-listed domestic-invested shares and 111,993,354 shares are overseas-listed foreign-invested shares (H Shares), representing 63.21% and 36.79% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, bonus shares created by transfer of capital reserve are issued to all shareholders by the Company. After the bonus shares are created by transfer, the share capital structure of the Company is changed as follows: 395,696,927 ordinary shares, of which 250,105,567 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 63.21% and 36.79% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive and the grant of reserved restricted shares, the share capital structure of the Company is changed as follows: 396,889,547 ordinary shares, of which 251,298,187 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 63.32% and 36.68% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 396,631,923 ordinary shares, of which 251,040,563 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 63.29% and 36.71% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the registration of the non-public issuance of A Shares, the share capital structure of the Company is changed as follows: 425,730,126 ordinary shares, of which 280,138,766 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 65.80% and 34.20% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 425,596,852 ordinary shares, of which 280,005,492 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 65.79% and 34.21% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 425,562,592 ordinary shares, of which 279,971,232 shares are domestic-listed domestic-invested shares and 145,591,360 shares are overseas-listed foreign-invested shares (H Shares), representing 65.79% and 34.21% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, after the Company has completed the bonus issue by way of capitalising capital reserve to all shareholders, the share capital structure of the Company is changed as follows: 553,231,369 ordinary shares, of which 363,962,601 shares are domestic-listed domestic-invested shares and 189,268,768 shares are overseas-listed foreign-invested shares (H Shares), representing 65.79% and 34.21% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 553,141,271 ordinary shares, of which 363,872,503 shares are domestic-listed domestic-invested shares and 189,268,768 shares are overseas-listed foreign-invested shares (H Shares), representing 65.78% and 34.22% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 553,115,570 ordinary shares, of which 363,846,802 shares are domestic-listed domestic-invested shares and 189,268,768 shares are overseas-listed foreign-invested shares (H Shares), representing 65.78% and 34.22% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, after the Company has completed the bonus issue by way of capitalising capital reserve to all shareholders, the share capital structure of the Company is changed as follows: 719,050,240 ordinary shares, of which 473,000,842 shares are domestic-listed domestic-invested shares and 246,049,398 shares are overseas-listed foreign-invested shares (H Shares), representing 65.78% and 34.22% of the total number of issued ordinary shares of the Company respectively.

Approved by the Board of Directors of the Company with authorization of the shareholders' meeting, after the Company has completed the repurchase and cancellation of locked restricted shares granted to incentive participants no longer satisfying the conditions for incentive, the share capital structure of the Company is changed as follows: 719,048,212 ordinary shares, of which 472,998,814 shares are domestic-listed domestic-invested shares and 246,049,398 shares are overseas-listed foreign-invested shares (H Shares), representing 65.78% and 34.22% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, after the Company has completed the bonus issue by way of capitalising capital reserve to all shareholders, the share capital structure of the Company is changed as follows: 934,762,675 ordinary shares, of which 614,898,458 shares are domestic-listed domestic-invested shares and 319,864,217 shares are overseas-listed foreign-invested shares (H Shares), representing 65.78% and 34.22% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, subsequent to the exercise of share options in the first exercise period under the first grant of the 2018 Share Options Incentive Scheme of the Company, the share capital structure of the Company is changed as follows: 943,585,025 ordinary shares, of which 623,720,808 shares are domestic-listed domestic-invested shares and 319,864,217 shares are overseas-listed foreign-invested shares (H Shares), representing 66.10% and 33.90% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, subsequent to the exercise of share options in the second exercise period under the first grant and in the first exercise period under the reserved grant of the 2018 Share Options Incentive Scheme of the Company and prior to the cancellation of A Shares repurchased by the Company, the share capital structure of the Company is changed as follows: 945,103,454 ordinary shares, of which 625,239,237 shares are domestic-listed domestic-invested shares and 319,864,217 shares are overseas-listed foreign-invested shares (H Shares), representing 66.16% and 33.84% of the total number of issued ordinary shares of the Company respectively.

As approved by a special resolution passed at the shareholders' meeting, upon the completion of the cancellation of 6,093,808 A Shares repurchased by the Company, the share capital structure of the Company is changed as follows: 939,009,646 ordinary shares, of which 619,145,429 shares are domestic-listed domestic-invested shares and 319,864,217 shares are overseas-listed foreign-invested shares (H Shares), representing 65.94% and 34.06% of the total number of issued ordinary shares of the Company, respectively.

Article 23 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 securities authorities of the State Council.

Pursuant to provisions set out in the preceding paragraph, the Company may conduct issuances of overseas-listed foreign-invested shares and domestic-invested shares within twelve months upon obtaining the approval from the State Council Securities Commission, and issuances of domestic-listed domestic-invested shares within twelve months upon obtaining the approval from securities regulatory authorities of the State Council.

Article 24 When conducting separate issuance of up to the total number of shares determined according to the issuance plans, the overseas-listed foreign-invested shares and domestic-listed shares shall be fully subscribed for at their respective offering. If the shares cannot be fully subscribed for all at once due to special circumstances, the shares may, subject to the approval from the State Council Securities Commission, be issued in separate tranches.

Section 2 Change in Capital and Repurchase of Shares

Article 25 The Company may increase its capital in line with the needs for operations and development according to laws, administrative regulations and the Articles of Association after respective resolutions are passed at a shareholders' meeting and procedures required by national laws and administrative regulations are completed by the following methods:

(i) issuing shares to non-specific targets;

(ii) issuing shares to specific targets;

(iii) offering of new shares to existing shareholders;

(iv) distribution of bonus shares to existing shareholders;

(v) increase in capital by transfers from reserves;

(vi) other methods approved by laws, administrative regulations and the securities regulatory authorities under the State Council.

Article 26 The Company may reduce its registered capital pursuant to the provisions of the Articles of Association. When the registered capital of the Company is reduced, it shall be subject to the procedures stipulated in Article 251 of the Articles of Association.

Article 27 The Company shall not purchase its own shares, except under one of the following circumstances:

(i) reducing registered capital of the Company;

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

(iii) utilising its shares in the employee share ownership plan or for share incentive;

(iv) when requested by any shareholder to purchase his shares because this shareholder objects to any resolution of merger or division made by the Company at shareholders' meetings;

(v) utilising the shares for conversion of corporate bonds which are convertible into shares issued by the Company;

(vi) where it is necessary for the to safeguard the value of the Company and the interests of its shareholders;

(vii) other circumstances permitted by law, regulations, regulatory documents or competent securities regulatory authorities where the shares of the Company are listed.

Any acquisition of the Company shares under the circumstances as required in items (i) and (ii) of the first paragraph shall be resolved at a shareholders' meeting; any acquisition of the Company shares under the circumstances as required in items (iii) to (vii) of the first paragraph shall, after obtaining the authorisation of the shareholders' meeting, be approved by a resolution of the Board meeting where over two-thirds of the directors are present.

For A Shares, after the Company has acquired its A Shares according to the above provision of the first paragraph, in the event of item (i), the same shall be cancelled within 10 days from the date of acquisition; in the event of item (ii) or (iv) above, the same shall be transferred or cancelled within 6 months; in the event of items (iii), (v) and (vi), the total A Shares of the Company held by the Company itself shall not exceed 10% of its total A Shares in issue and shall be transferred or cancelled within 3 years after the acquisition; in the event of item (vii), transfer or cancellation shall be carried out in accordance with applicable laws and regulations, normative documents and provisions of the securities regulatory authorities of where shares of the Company are listed.

For H Shares, after the Company has acquired its H Shares according to the above provision of the first paragraph, the same shall be cancelled as soon as reasonably practicable pursuant to the requirements of the Hong Kong Listing Rules.

If the Company acquires its own shares, it shall fulfil its disclosure obligation as required under the Securities Law, the Stock Listing Rules of the Shenzhen Stock Exchange, and the Hong Kong Listing Rules.

Article 28 The Company may repurchase its own shares in one of the following methods:

(i) To make repurchase offers to all shareholders in the same proportion as to the shareholding;

(ii) To repurchase the shares by open and centralized trade on the stock exchanges;

(iii) To repurchase the shares by an over-the-counter agreement;

(iv) other methods authorized by law, regulations, regulatory documents or competent securities regulatory authorities where the shares of the Company are listed.

If the Company acquires its own shares under the circumstances as required in items (iii), (v) and (vi) of the first paragraph of Article 27 of the Articles of Association, it shall be carried out by open and centralized trade.

Article 29 The Company shall obtain prior approval at a shareholders' meeting in accordance herewith if it repurchases shares through over-the-counter agreement. If the prior approval is granted by the shareholders' 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 paragraph, 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.

For the redeemable shares which the Company has the rights to repurchase, the repurchase price shall be limited to a maximum price if the repurchase is not carried out in the market or by tender; invitations of tender shall be made to all shareholders under the same conditions if a repurchase is carried by tender.

Article 30 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 aggregate par value of the cancelled shares shall be reduced from the registered capital of the Company.

Article 31 Except where the Company is in the course of liquidation, it shall comply with the following provisions when repurchasing its own issued shares:

(i) in case the shares are repurchased by the Company at the price of their par value, the amount paid for such repurchase shall be deducted from the book balance of the distributable profits of the Company and from the proceeds from the issuance of new shares as a result of the repurchase of existing shares;

(ii) in case the shares are repurchased by the Company at a price higher than the par value, the portion equivalent to the par value shall be deducted from the book balance of the distributable profits of the Company and from the proceeds from the issuance of new shares as a result of the repurchase of existing shares; the portion above the par value shall be handled in accordance with the following methods:

    1. in case the repurchased shares are issued at the price of their par value, such portion shall be deducted from the book balance of the distributable profits of the Company;

    2. in case the repurchased shares are issued at a price higher than the price of their par value, such portion shall be deducted from the book balance of the distributable profits of the Company and from the proceeds from the issuance of new shares as a result of the repurchase of existing shares; however, the amount deducted from the issuance of new shares shall not exceed total the premium income from the previous issuance of the existing shares so repurchased, and shall not exceed the amount in the premium account (or capital reserve account) of the Company (including the premium amount of the issuance of new shares) during the repurchase.

(iii) the Company shall pay out of its distributable profits for the following purposes:

    1. the acquisition of its repurchase rights to repurchase its shares;

    2. the alteration of a contract to repurchase its shares;

    3. the discharge of its obligations in a repurchase contract.

(iv) after the total par value of the cancelled shares is reduced from the Company's registered capital in accordance with the relevant regulations, the amount deducted from the distributable profits and used for repurchasing the par value of the shares shall be included in the Company's premium account (or capital reserve account).

In the event where there are relevant provisions under laws, regulations, regulatory documents or competent securities regulatory authorities where the shares of the Company are listed separately stipulating the financial arrangements regarding the repurchase of shares, those provisions shall be complied with accordingly.

Section 3 Transfer of Shares

Article 32 Unless otherwise required by laws, administrative regulations and the securities regulatory authorities in the jurisdictions where the shares of the Company are listed, the shares of the Company shall be lawfully transferred free from any lien.

Article 33 The Company shall not accept the shares of the Company as the subject of pledges.

Article 34 The shares issued prior to the public offering of shares by the Company shall not be transferred within one year from the date the shares of the Company were listed and traded at the stock exchanges.

The Director, President and other senior management officers 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 terms of office, which is determined at the time of their appointment, shall not transfer more than 25% of the same class of shares. These shares shall not be transferred within one year from the date the Company's shares are listed. The aforesaid persons shall not transfer his/her shareholding in the Company within six months after termination of employment, save for as demanded by a court order.

Article 35 When shareholders holding more than 5% of the shares, Directors and senior management officers of the Company sell their shares or other equity securities within six months from the acquisition of such shares, or purchase shares within six months from the disposal of such shares, the resulting gains are owned by the Company and the Board of Directors of the Company shall recover its resulting gains. However, the disposal of such shares by securities companies holding more than 5% of the shares as a result of the outstanding shares acquired under underwriting, and other circumstances stipulated by the CSRC are excluded.

The shares or other equity securities held by the Directors, senior management officers and natural person shareholders referred to in the preceding paragraph shall include the shares or other equity securities held by their spouse, parents, children, and those held through the accounts of others.

Shareholders may require the Board of Directors to comply with the requirement set out in the first paragraph of this Article 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 paragraph of this Article, relevant responsible Directors shall bear joint liability pursuant to the laws.

Section 4 Financial Assistance for Purchase of Shares of the Company

Article 36 The Company or its subsidiaries (including associated entities of the Company) shall not, by way of a gift, advance, guarantee, loans or otherwise, provide financial assistance to any person for the acquisition of the Company's or its parent company's shares, except for the implementation of the Company's employee share ownership plan. For the benefit of the Company, upon a resolution of the shareholders' meeting or a resolution of the Board of Directors pursuant to the authorization granted by the Articles of Association or the shareholders' meeting, the Company may provide financial assistance to a third party for the acquisition of the Company's or its parent company's shares, provided that the aggregate amount of financial assistance shall not exceed 10% of the total issued share capital. Any resolution of the Board of Directors in this regard shall be passed by two-thirds or more of all the Directors.

The term "for the benefit of the Company" refers to the circumstances described in Article 38 hereinafter.

Article 37 The term "financial assistance" mentioned in this section shall include, but not limited to, the following methods:

(i) presentation of a gift;

(ii) guarantee (including the undertaking of liability or the provision of property by a guarantor to ensure that an obligor fulfills his/her obligations), compensation (but not including any compensation caused by the fault of the Company) and discharge or waiver of rights;

(iii) provision of a loan or conclusion of a contract under which the Company has priority over other parties in fulfilling its obligations, as well as changes in the loan or the parties to the contract, and transfer of the loan or the rights in such contract;

(iv) financial assistance provided by the Company in any ways when the Company becomes insolvent or does not have any net assets, or there are scenarios leading to a substantial reduction of net assets.

For the purposes hereof, the term "undertaking of obligations" shall include the obligations undertaken by an obligor whose financial status is changed as a result of concluding a contract or making an arrangement (whether or not such contract or arrangement is enforceable or is undertaken by the obligor or jointly with any other persons), or otherwise.

Article 38 The following acts shall not be deemed as acts banned under Article 36 hereof, except those prohibited by law, regulations or regulatory documents:

(i) the financial assistance is provided by the Company in good faith in the interests of the Company, and not for the purpose of purchasing the shares of the Company, or does not form a supplementary part of a certain master project of the Company;

(ii) the Company lawfully distributes its property as dividends;

(iii) the dividends are distributed in the form of shares;

(iv) the registered capital is reduced, shares are repurchased, shareholding structure is adjusted according hereto;

(v) the Company provides a loan within its scope of business for its normal business activities (but this shall not lead to a decrease in the Company's net assets, or even a decrease was caused, such financial assistance is made available from the Company's distributable profits);

(vi) the Company provides funds for the employee share ownership scheme (but this shall not lead to a decrease in the Company's net assets, or even a decrease was resulted in, such financial assistance is made available from the Company's distributable profits).

CHAPTER 4 SHARE CERTIFICATES AND REGISTER OF MEMBERS

Article 39 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.

Share certificates shall be signed by the Chairman. In the event that the stock exchange on which the shares of the Company are listed require the signatures of other senior management officers of the Company, the share certificates shall be signed by such other relevant senior management officers. 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. The signatures of the legal representative or other senior management officers of the Company on the shares may take the printed form.

Article 40 As to the matters stipulated in Article 39 of the Articles of Association, those provisions as required by the securities regulatory authorities in the place where the shares of the Company are listed shall apply in case the shares are issued and transacted in scripless form.

Article 41 The Company shall create a register of members based on the evidence provided by a securities registry to record the following particulars:

(i) the name, address (residence), occupation or type of each shareholder;

(ii) the class and number of shares held by each shareholder;

(iii) the amount paid or payable for the shares held by each shareholder;

(iv) the serial numbers of the shares held by each shareholder;

(v) the date of registering as a shareholder by each shareholder;

(vi) the date of terminating as a shareholder by each shareholder.

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

Article 42 The Company may, in accordance with the understanding or agreement reached between the securities regulatory authorities under the State Council and the local securities regulatory authorities 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 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 43 The Company shall maintain a complete register of members. A register of members shall include the following parts:

(i) a register of members, other than those prescribed in items (ii) and (iii) of this paragraph, kept at the Company's domicile;

(ii) 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;

(iii) a register of members, which the Board has decided that it shall be kept in other places for the needs of the listing of the shares of the Company.

Article 44 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.

Any change or correction in the register of shareholders, shall comply with the relevant laws at the place of the relevant register.

Article 45 All overseas-listed foreign-invested shares listed in Hong Kong, if they are fully paid up, may be freely transferred pursuant to the 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:

(i) 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 of HK$2.50 or such higher amount as agreed by the Hong Kong Stock Exchange shall be paid to the Company for the registration of any instrument of transfer or other documents relating to or affecting the ownership of the shares;

(ii) the instrument of transfer is only related to Hong Kong-listed foreign-invested shares;

(iii) a payable stamp duty has been paid for the transfer instrument;

(iv) the related shares 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;

(v) the number of joint holders shall not exceed four in case shares are transferred to joint holders; and

(vi) the shares are free from any lien of the Company.

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.

All the transfers of overseas-listed foreign-invested shares listed in Hong Kong shall be effected by written instruments of transfer in an ordinary or common form or in any other form acceptable to the Board of Directors (including the standard transfer format or form of transfer provided by Hong Kong Stock Exchange from time to time). The instruments of transfer may be signed by hand only or (where the transferor or transferee is a corporation) by the company's seal. Where the transferor or transferee is a recognized clearing house as defined by relevant regulations of the laws of Hong Kong from time to time (hereinafter referred to as the "Recognized Clearing House") or its nominee, the form of transfer may be signed by hand or in a machine-imprinted format. The Company may close the register of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 under the Laws of Hong Kong).

Article 46 Where PRC laws and regulations and the Hong Kong Listing Rules stipulate on the period of closure of the register of shareholders prior to a shareholders' meeting or the base date on which the Company decides to distribute dividends, such provisions shall prevail.

Article 47 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.

Article 48 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 share certificates").

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 Article 164 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 shareholder of H Shares shall be subject to the following requirements:

(i) the applicant shall 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 shall 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 have asked for registering as shareholders in respect of the underlying shares.

(ii) 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.

(iii) 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.

(iv) 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.

(v) upon expiry of the period of ninety days for the publication of the announcement prescribed in items (iii) and (iv) 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.

(vi) 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.

(vii) 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 49 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 50 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.

CHAPTER 5 SHAREHOLDER AND SHAREHOLDERS' MEETING

Section 1 General Provisions of Shareholders

Article 51 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.

The Company shall not exercise any of its rights to impede or otherwise prejudice any of the rights attached to any of Company's shares only by reason that such person or persons who are interested directly or indirectly therein have failed to disclose his/her interests to the Company.

Article 52 When the Company needs to confirm the identity of shareholders for holding a shareholders' meeting, distributing dividends, conducting liquidation and engaging in other acts, the Board of Directors or the convener of the shareholders' 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 53 A shareholder of the Company shall be entitled to the following rights:

(i) receive dividends and benefit distributions in other forms according to the portion of shares he/she holds;

(ii) make a request to, convene, call, preside over and attend or appoint a proxy to attend a shareholders' meeting, and speak at the shareholders' meeting and exercise the corresponding voting rights in accordance with the law;

(iii) carry out supervision of the Company's operations, and make recommendations or raise questions;

(iv) transfer, grant or pledge the shares he/she holds in accordance with the laws, administrative regulations, relevant provisions of the securities regulatory authorities where the shares of the Company are listed and the provisions hereof;

(v) inspect and copy the Articles of Association, register of members (including the Hong Kong branch register), minutes of shareholders' meetings, resolutions of the Board and financial and accounting reports;

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

(vi) 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;

(vii) those shareholders who object to a resolution made at a shareholders' meeting on the merger or division of the Company request that the Company purchase their shares;

(viii) other rights conferred by laws, administrative regulations, departmental rules or the Articles of Association.

Article 54 Shareholders who individually or collectively hold 3% or more of the shares of the Company for 180 consecutive days or more may inspect the Company's accounting books and vouchers. In the event that a shareholder wants to inspect 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 55 In the event that the particulars of a resolution passed at a shareholders' 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' meeting or a Board meeting, or the voting methods thereof are in violation of laws, administrative regulations or the Articles of Association, or the particulars of a resolution are in violation of the Articles of Association, the shareholders shall have the right to petition a court to make revocation within 60 days from the date of the resolution. However, the foregoing shall not apply if the procedures for convening a shareholders' meeting or a Board meeting or the voting methods have only minor defects and have no substantive impact on the resolution.

If the Board of Directors, shareholders and other relevant parties have disputes over the validity of a resolution of the shareholders' meeting, they shall file a lawsuit with the People's Court in a timely manner. Before the People's Court makes a judgment or ruling to revoke the resolution, the relevant parties shall execute the resolution of the shareholders' meeting. The Company, Directors and senior management officers shall duly perform their duties to ensure the normal operation of the Company.

When the People's Court makes a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the laws, administrative regulations, and the provisions of the CSRC and the stock exchange, fully explain the impact, and actively cooperate with the execution after the judgment or ruling takes effect. If it involves correction of previous matters, the Company shall handle it in a timely manner and fulfill the corresponding information disclosure obligations.

Article 56 A resolution of the shareholders' meeting or the Board meeting shall be deemed null and void under any of the following circumstances:

(i) no shareholders' meeting or Board meeting was convened to make the resolution;

(ii) no vote was taken on the matter of the resolution at the shareholders' meeting or Board meeting;

(iii) the number of attendees represented at the meeting or the voting rights held did not reach the number required by the Company Law or the Articles of Association;

(iv) the number of persons or the voting rights held in favour of the resolution did not reach the number required by the Company Law or the Articles of Association.

Article 57 In the event that a Director (other than a member of the Audit Committee) or a senior management officer violates laws, administrative regulations or the Articles of Association when performing his/her duties for the Company, thus causing losses to the Company, the shareholders who either individually or collectively having been holding 1% or more of shares of the Company for 180 consecutive days or more shall have the right to request in writing that the Audit Committee lodge legal actions with the People's Court. In the event that the Audit Committee violates laws, administrative regulations or the Articles of Association when executing its duties for the Company, thus causing losses to the Company, the aforesaid shareholders may request in writing that the Board lodge legal actions with the People's Court.

In the event that the Audit Committee or the Board refuses to take legal action upon receipt of the request in writing from the shareholders as prescribed in the preceding paragraph, or does not take legal action within 30 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 paragraph 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 paragraph of this Article may lodge legal actions with the People's Court in accordance with the provisions of the preceding two paragraphs.

Where the directors, supervisors or senior management officers of a wholly-owned subsidiary of the Company violate laws, administrative regulations, or the Articles of Association when performing their duties, causing losses to the Company, or where others infringe upon the lawful rights and interests of the wholly-owned subsidiary causing losses, shareholders who individually or collectively hold 1% or more of the shares of the Company for 180 consecutive days or more may, in accordance with the first three paragraphs of Article 189 of the Company Law, request in writing the supervisory committee or the board of directors of the wholly-owned subsidiary to file a lawsuit with the People's Court, or file a lawsuit directly with the People's Court in their own names. If the wholly-owned subsidiary does not have a supervisory committee or supervisor, but has an audit committee, the provisions of the first and second paragraphs of this Article shall apply.

Article 58 In the event that a director or a senior management officer violates laws, administrative regulations or the Articles of Association, thus causing damage to the interests of shareholders, the shareholders may lodge legal actions with the People's Court.

Article 59 A shareholder of the Company shall undertake the following obligations:

(i) Comply with the laws, administrative regulations and the Articles of Association;

(ii) pay equity capital according to his/her shares subscribed and the method of equity capital injection;

(iii) may not withdraw share capital unless provided by laws or administrative regulations;

(iv) 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;

(v) other obligations to be undertaken as prescribed by laws, administrative regulations and the 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 60 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 61 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 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.

In the event the controlling shareholders and de facto controllers of the Company misappropriates the assets or funds of the Company, the Company shall apply to the People's Court to freeze the shares of the Company held by the controlling shareholder according to the provisions of the laws. If the controlling shareholder is unable to make any restitution or cash compensation for any assets of the Company misappropriated by him/her, the Company is entitled to dispose the shares of the Company held by him/her in accordance with the provisions of the laws and regulations, to be compensated for the amount of assets or funds of the Company which had been misappropriated by the controlling shareholders.

Article 62 In addition 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:

(i) removing a Director to reflect, in good faith, the responsibility of doing so in the best interests of the Company as a starting point;

(ii) approving a Director (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;

(iii) approving a Director (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' meeting for approval in accordance herewith.

Article 63 The "controlling shareholder" referred to herein means a shareholder who holds ordinary shares (including preferred shares with voting rights restored) representing more than 50% of the total share capital of the Company, or a shareholder having sufficient voting right in respect of the shares who holds to pose a significant influence on the resolutions of the shareholders' meetings despite holding no more than 50% of the total share capital of the Company.

Section 2 General Provisions of the Shareholders' Meeting

Article 64 The shareholders' meeting is the organ of power of the Company and shall lawfully exercise its powers as follows:

(i) decide on the business policies and investment plans of the Company;

(ii) elect and replace Directors who are not employee representatives; decide on the remuneration of Directors;

(iii) consider and approve the report of the Board;

(iv) consider and approve the Company's annual budget and final accounts proposals;

(v) consider and approve the Company's profit distribution plan and loss recovery plan;

(vi) make a resolution on the increase or decrease of the registered capital of the Company;

(vii) make a resolution on the issuance of shares, repurchase of the shares of the Company, issuance of corporate bonds by the Company;

(viii) make a resolution on the merger, division, dissolution or liquidation of the Company, or on the change in the type of the Company;

(ix) amend the Articles of Association;

(x) make a resolution on the Company's engagement and dismissal of an accounting firm serving as the Company's auditor;

(xi) consider and approve the guarantees prescribed in Article 65 hereof;

(xii) 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;

(xiii) consider and approve changes in the use of proceeds;

(xiv) consider equity incentive plans and employee share ownership plans;

(xv) consider other matters on which resolutions shall be made by a shareholders' meeting as required by laws, administrative regulations, departmental rules, securities regulations of the jurisdiction where the shares of the Company are listed or the Articles of Association.

Article 65 The following external guarantees by the Company shall be considered and approved by a shareholders' meeting.

(i) any guarantee provided after the total amount of external guarantees by the Company and its controlling subsidiaries exceeds 50% of the latest audited net assets;

(ii) any guarantee provided after the total amount of external guarantees by the Company and its controlling subsidiaries exceeds 30% of the latest audited total assets;

(iii) any guarantee by the Company within the preceding 12 months with guaranteed amount in excess of 30% of the latest audited total assets of the Company;

(iv) any guarantee provided for a target party whose asset-liability ratio is over 70%;

(v) any guarantee with a single guaranteed amount in excess of 10% of the latest audited net assets;

(vi) any guarantee provided to shareholders, de facto controllers and their connected parties.

Article 66 Save that the Company is under exceptional circumstances such as crisis, unless approved by way of special resolution at a shareholders' meeting, the Company shall not enter into any contracts with any person other than the Directors, President and other senior management officers pursuant to which the management of all or a substantial part of the business of the Company will be given to such person.

Article 67 Shareholders' meetings include annual shareholders' meeting and extraordinary shareholders' meeting. The annual shareholders' meeting shall be convened once a year, and held within six months after the end of the previous accounting year.

Article 68 The Company shall convene an extraordinary shareholders' meeting within two months of the occurrence of any one of the following events:

(i) when the number of directors is less than the minimum number required by the Company Law or two-thirds of the number specified in the Articles of Association;

(ii) when the unrecovered loss of the Company amounts to one-third of the total amount of its share capital;

(iii) shareholders, individually or collectively, holding 10% (inclusive, excluding voting proxy) or more of the Company's issued and outstanding voting shares, request to convene an extraordinary shareholders' meeting in writing;

(iv) when deemed necessary by the Board;

(v) when proposed by the Audit Committee;

(vi) other circumstances as required by laws, administrative regulations, departmental regulations, or the Articles of Association.

The proportion of shareholdings referred to in item (iii) above shall be calculated from the date which the shareholders propose the written request.

Article 69 The shareholders' meeting of Company shall be held at the domicile of the Company or any other place as specified in the notice.

The shareholders' meeting shall be convened in a physical venue. In addition, the Company shall provide facilities that allow shareholders to attend the meeting and vote via the internet. Voting conducted over the internet shall confirm the identities of the shareholders according to the relevant provisions of the securities regulatory authorities and listing rules of the stock exchanges where the shares of the Company are listed. In addition to being held on-site at a venue, the shareholders' meeting may also be held concurrently by means of electronic communication. After the Company has issued the notice of shareholders' meeting, the venue for the physical meeting shall not be changed without justifiable cause. If a change is indeed necessary, the convener shall make an announcement at least two business days prior to the date of the physical meeting, stating the reasons for such change.

Article 70 When convening a shareholders' meeting, the Company shall engage legal advisers to provide legal opinions on the following issues:

(i) whether the procedures of convening and holding the meeting comply with laws, administrative regulations and provisions of the Articles of Association;

(ii) whether the qualifications of attendees and convener are legal and valid;

(iii) whether the procedure and result of voting are legal and valid;

(iv) legal opinions on other matters as requested by the Company.

Section 3 Convening of Shareholders' Meeting

Article 71 The Board of Directors shall convene the shareholders' meeting within the prescribed period. Upon being approved by more than half of all independent Directors, the independent Directors shall have the right to propose to the Board to convene an extraordinary shareholders' meeting. For such proposal, the Board shall, in accordance with laws, administrative regulations and the Articles of Association, make a written response as to whether or not it agrees to convene an extraordinary shareholders' meeting, within 10 days upon receipt of such proposal.

If the Board agrees to convene the extraordinary shareholders' meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. If the Board does not agree to convene the extraordinary shareholders' meeting, it shall make an announcement with relevant explanations.

Article 72 The Audit Committee shall have the right to propose to the Board to convene an extraordinary shareholders' meeting. Such proposal shall be made in writing. The Board shall make a written response as to whether or not it agrees to convene such an extraordinary shareholders' meeting within 10 days upon receipt of the proposal in accordance with laws, administrative regulations and the Articles of Association.

If the Board agrees to convene the extraordinary shareholders' meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. Changes made to the original proposal in the notice shall be approved by the Audit Committee.

If the Board does not agree to convene the extraordinary shareholders' meeting, or fails to give any response within 10 days after the receipt of the proposal, it shall be deemed that the Board is unable or fails to fulfill its responsibilities to convene the shareholders' meeting. The Audit Committee can hereby convene and preside over the meeting by itself.

Article 73 Shareholders requisitioning the convening of extraordinary shareholders' meetings or class meetings shall abide the following procedures:

Subject to the requirements under Article 78 of the Articles of Association, shareholders, individually or jointly, holding 10% or more of the Company's shares may request the Board to convene an extraordinary shareholders' meeting or a class meeting and add resolutions to the agenda of the meeting, and such proposals shall be made to the Board in writing. For such proposal, the Board shall, in accordance with laws, administrative regulations and the Articles of Association, make a written response as to whether or not it agrees to convene an extraordinary shareholders' meeting or a class meeting, within 10 days upon receipt of such request.

If the Board agrees to convene the extraordinary shareholders' meeting or class meeting, a notice of such meeting shall be issued within 5 days after the resolution of the Board is passed. Changes made to the original request in the notice shall be approved by the relevant shareholders.

If the Board disagrees to convene the extraordinary shareholders' meeting or class meeting, or fails to give any response within 10 days after the receipt of the request, shareholders, individually or collectively, holding 10% or more of the Company's shares may request the Audit Committee to convene an extraordinary shareholders' meeting or a class meeting, and such request shall be made to the Audit Committee in writing.

If the Audit Committee agrees to convene the extraordinary shareholders' meeting or class meeting, a notice of such meeting shall be issued within 5 days after the receipt of the request. Changes made to the original request in the notice shall be approved by the relevant shareholders.

If the Audit Committee fails to give a notice of the shareholders' meeting within the prescribed period, it shall be deemed that the Audit Committee fails to convene and preside over the shareholders' meeting. The shareholder(s) continuously holding for 90 days or more, individually or collectively, 10% or more of the shares of the Company may convene and preside over the meeting by himself/themselves.

Article 74 If the Audit Committee or shareholder(s) decide(s) to convene the shareholders' meeting by itself/themselves, it/they shall issue a written notice to the Board and file with the stock exchange.

Shareholding proportion of the convening shareholders shall not be less than 10% prior to announcement of the resolution of the shareholders' meeting.

The Audit Committee or the convening shareholders shall submit the corresponding supporting materials to the stock exchange when issuing the notice of convening a shareholders' meeting and declaring the resolution of shareholders' meeting.

Article 75 For shareholders' meetings convened by the Audit Committee or the shareholders, the Board and the secretary to the Board shall coordinate accordingly. The Board will provide the register of members as at the registered date for entitlements of shares.

Article 76 All necessary expenses incurred by the Audit Committee or the shareholders to convene a shareholder's meeting shall be assumed by the Company.

Section 4 Proposals and Notices of Shareholders' Meeting

Article 77 The contents of a proposal shall be within the scope of the duties and responsibilities of the shareholders'meeting, have definite topics and specific matters for resolution, as well as be compliance with the laws, administrative regulations and the Articles of Association.

Article 78 The Board, the Audit Committee, and shareholder(s) individually or collectively holding 1% or more of the Company's shares shall have the right to submit proposed resolutions to the Company for a shareholders' meeting of the Company.

The shareholder(s) individually or collectively holding 1% or more of the Company's shares may submit extra proposed resolutions in writing to the convener of a shareholders' meeting in writing 10 days prior to the meeting. The convener shall, within 2 days after receipt thereof, issue a supplementary notice of the shareholders' meeting, announce the contents of such extra proposed resolutions and submit them to the shareholders' meeting for deliberation; provided, however, that this shall not apply if the extra proposed resolutions violate any law, administrative regulation, or the provisions of the Articles of Association, or fall outside the scope of the authority of the shareholders' meeting.

Except as provided by the preceding paragraph, the convener of a shareholders' 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' meeting.

Proposals which are not specified in the notice of the shareholders' meeting or which do not comply with Article 77 of the Articles of Association shall not be voted and resolved at the shareholders' meeting and become resolutions.

Article 79 When the Company convenes an annual shareholders' meeting, a public announcement to notify each shareholder shall be given 20 business days prior to the date of the meeting; when the Company convenes an extraordinary shareholders' meeting, a public announcement to notify each shareholder shall be given the longer of 10 business days or 15 days prior to the date of the meeting.

When the Company sets up the duration of notice, both the date of issue and date of convening of meeting shall be excluded.

Article 80 The notice of shareholders' meeting shall include the following items:

(i) it is in written form;

(ii) the date, venue and duration of the meeting;

(iii) it shall state the matters and proposals to be considered at the meeting;

(iv) it shall contain all necessary information and explanation to enable shareholders to make informed decisions on the matters to be discussed. This shall include, but shall not be limited to: any merger, share repurchase, capital reorganization or restructuring proposals, the detailed terms of the proposed transaction, copies of the proposed agreement (if any) and detailed explanation as to the cause and effect of such a proposal transaction shall be provided;

(v) if any of the directors, president or other senior management officers have a material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a director, president or a senior management officer as shareholders compared to other shareholders of that same class, they shall explain this difference;

(vi) it shall contain the full text of any proposed special resolution to be voted on at the meeting;

(vii) it shall contain a clear statement stating that a shareholder entitled to attend and vote at the meeting, is entitled to appoint in writing one or more proxies to attend and vote on his/her behalf, and such proxy need not be a shareholder;

(viii) it shall state the time and address for lodging the proxy forms of the relevant meeting;

(ix) it shall state the shareholding registration date of the shareholders who are entitled to attend the meeting;

(x) it shall state the name and phone number of the contact person of the meeting.

(xi) Where the shareholders' meeting is to be convened via the internet or in any other manner, the notice of shareholders' meeting shall clearly state the time and procedure of voting via the internet or any other manner. The time to start voting at a shareholder's meeting held online or by other means shall not be earlier than 3: 00 p.m. of the day preceding the date of the physical shareholders' meeting but not later than 9: 30 a.m. of the date of the physical shareholders' meeting, and shall not conclude earlier than 3: 00 p.m. of the date of the physical shareholders' meeting.

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

Details of all proposals shall be fully and completely disclosed in the notice of the shareholders' 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' meeting or a supplementary notice shall, when given, also disclose the opinions and reasons of the independent directors.

Article 81 A notice of shareholders' meeting shall be served on every holder of overseas-listed foreign-invested shares (whether or not such shareholder is entitled to vote at the meeting) by public announcement, or by hand or prepaid mail. For notices delivered by hand or prepaid mail, it shall be delivered to the address of the shareholder as shown in the register of shareholders. For holders of domestic shares, notice of the meeting may also be given by way of public announcement.

The public announcement of shareholders' meeting to holders of domestic shares, as referred to in the preceding paragraph, shall be published in one or more newspapers designated by the CSRC. After the publication of such announcement, all holders of domestic shares shall be deemed to have received the notice of the relevant general meeting. The public announcement of a shareholders' meeting to holders of overseas-listed foreign-invested shares may be published on one or more newspapers as designated by the Stock Exchange of Hong Kong Limited (with at least one in Chinese and one in English) or given via the website(s) of the Company and/or the Hong Kong Stock Exchange. Upon the publication of such announcement, all holders of H shares shall be deemed to have received the notice of the relevant shareholders' meetings.

Article 82 In the event that the election of directors is to be discussed at a shareholders' meeting, the notice of the shareholders' meeting shall fully disclose details of candidates for the directors, and shall at least include the following particulars:

(i) personal details including educational background, work experience and part-time jobs;

(ii) whether or not there is any connection with the Company or the Company's controlling shareholders and de facto controllers;

(iii) the disclosed number of shares of the Company which are held;

(iv) whether or not they have been penalized by the CSRC and other relevant departments, and disciplined by the Stock Exchange.

Save for the cumulative voting system adopted to elect directors, a separate proposal shall be raised in respect of each of the candidates for directors.

Article 83 After a notice of shareholders' meeting is given, the shareholders' meeting shall not be postponed or cancelled, and the proposals set out in the notice of shareholders' meeting shall not be cancelled without a valid reason. Once the meeting is postponed or cancelled, the convener shall make an announcement and explain the reasons at least two business days prior to the scheduled meeting date.

Section 5 Holding of Shareholders' Meeting

Article 84 The Board of Directors of the Company and other conveners shall take necessary measures to ensure the normal order of a shareholders' meeting. They shall take measures to prevent any interference with the shareholders' meeting, disturbance and violation of the legitimate rights and interests of shareholders and promptly report the same to the relevant departments for investigation.

Article 85 All shareholders or their proxies recorded in the register on the record date shall have the right to attend shareholders' meetings and exercise the rights to vote in accordance with relevant laws, administrative regulations and the Articles of Association.

Shareholders may attend a shareholders' meeting in person or may appoint in writing a proxy to attend and vote on their behalf.

Article 86 When an individual shareholder attends a shareholders' meeting in person, he shall produce his 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, he shall produce his own valid identity documents, the power of attorney from the shareholder and the stock account card.

For a corporate shareholder, his legal representative or the proxy appointed by such legal representative shall attend the meeting. If the corporate shareholder has appointed a proxy to attend any meeting, it shall be deemed to be present in person. In the event that the legal representative attends the meeting, he shall produce his identity card or valid proof capable of proving that he has the status of a legal representative and the stock account card. In the event that the appointed proxy attends the meeting, he shall produce his identity card and the written power of attorney issued by the legal representative of the corporate shareholder according to law and the stock account card.

Article 87 Any shareholder who has the right to attend and vote at a shareholders' 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:

(i) the shareholder's right to speak at the shareholders' meeting;

(ii) the right to require by himself/herself or jointly with others to make a resolution by voting;

(iii) 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.

If a shareholder is the Recognized Clearing House or its agent, it may authorize one or more proxy(ies) as it thinks fit to act as its proxy(ies) at any shareholders' meeting or class meeting of shareholders. However, if more than one proxies are appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. Such authorized proxies may exercise the right of the Recognized Clearing House or their agent, as if they are the individual members of the Company.

Hong Kong Securities Clearing Company Limited shall have the right to appoint proxies or legal representatives to attend shareholders' meetings and creditors' meetings of the Company, and these proxies or legal representatives shall rank pari passu with other shareholders in statutory rights, including rights to speak and vote.

Article 88 The instrument appointing a proxy shall 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' meeting shall contain the following particulars:

(i) the name of the appointing shareholder, and the class and quantity of the Company's shares held by such shareholder;

(ii) the name of the proxy;

(iii) the specific instructions of the shareholder, including instructions to vote in favour of or against, or to abstain from voting on, each matter set out on the agenda of the shareholders' meeting;

(iv) the date and validity of the power of attorney;

(v) 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.

Article 89 The format of any letter of authority given by the Board of Directors of the Company to shareholders using for appointing proxies shall allow shareholders to choose freely to instruct proxies to vote in favour of, against or abstain a matter, and give respective instructions in respect of resolutions made on each of the matters at a meeting. The letter of authority shall indicate that in case the shareholders do not give any instructions, the proxies may vote as they think fit.

Article 90 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, or other person authorized by the resolution of decision-making bodies shall be represented at the shareholders' meeting of the Company.

Article 91 In the event that a principal has deceased, 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 92 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, number of shares held or representing voting shares, the names of principals (or names of work units) and so on.

Article 93 The convener 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 securities registration and clearing institution and overseas agencies, 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 94 Directors and senior management officers shall, if required by the shareholders' meeting, be present at such meeting and respond to inquiries from shareholders.

Article 95 A shareholders' meeting shall be chaired by the Chairman. In the event that the chairman is unable to or fails to perform his duties, the vice-chairman (if there are two or more vice-chairmen, the one jointly elected by more than half of the directors shall chair the meeting) shall chair the meeting. In the event that the vice-chairman is also unable to or fails to perform his duties, a director jointly elected by more than half of the directors shall chair 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; 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 the meeting.

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

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

During a shareholders' meeting, in the event that the chairman of the meeting violates the rules of procedure so that the shareholders' 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 The Company shall formulate the rules of procedure of shareholders' meeting, which shall specify in details the convening, holding and voting procedures of the shareholders' meeting, including notice, registration, deliberation of draft resolutions, voting, votes counting, announcement of voting results, formation of meeting resolutions, minutes of the meeting and the execution thereof, announcement, etc., and the principles of authorization granted by the shareholders' meeting to the Board. The content of authorization shall be clear and concrete. The rules of procedure of the shareholders' meeting shall be drafted by the Board and approved by the shareholders' meeting and is attached as an appendix to the Articles of Association.

Article 97 At an annual shareholders' meeting, the Board of Directors shall report to the meeting on its work over the past one year. Each of the independent directors shall also make their personal work reports. Annual work reports of the independent directors shall be disclosed no later than the time when the Company issues the notice for the annual shareholders' meeting.

Article 98 Directors and senior management officers shall explain and illustrate the questions and suggestions made by shareholders at a shareholders' meeting.

Article 99 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 100 Minutes shall be prepared for a shareholders' meeting by the Secretary to the Board. The minutes of a meeting shall record the following particulars:

(i) the time, place, agenda and name of the convener of the meeting;

(ii) the names of the chairman of the meeting and the directors, president and other senior management officers present at the meeting;

(iii) the number of shareholders and proxies attending the shareholders' meetings, the total number of voting shares held and their respective percentages of total number of shares of the Company;

(iv) the number of voting shares represented by the holders (including their proxies) of domestic shares and overseas-listed foreign-invested shares (including their proxies) who are present at the shareholders' meeting, and the proportion of their shares out of the total number of shares of the Company;

(v) the process of considering each proposal, main points of remarks and voting results;

(vi) the results of voting by holders of domestic shares and holders of overseas-listed foreign-invested shares in respect of each resolution;

(vii) questions, comments or suggestions by shareholders, and the replies thereto or explanations thereof;

(viii) the names of lawyers, counters and scrutineers of votes;

(ix) other particulars that shall be recorded into the meeting minutes as prescribed hereunder.

Article 101 The convener shall ensure that the particulars of meeting minutes are true, accurate and complete. Directors, secretary to the Board, convener or his representative who attended or presented at the meeting shall sign the minutes of the meeting. The minutes of the meeting shall be kept together with the meeting attendance register of shareholders physically present at the meeting, powers of attorney of proxies present, details of voting on the network and other voting methods for a period of not less than ten years.

Article 102 A convener shall ensure that a shareholders' meeting shall be held continuously until a final resolution is formed. In the event that a shareholders' meeting is suspended or no resolutions can be made thereat due to special circumstances such as force majeure, the convener shall take necessary measures to restore the meeting as soon as possible or directly terminate the meeting, and make an announcement promptly. Meanwhile, the convener shall report to the local office of CSRC and the stock exchange.

Section 6 Voting and Resolutions of the Shareholders' Meeting

Article 103 Resolutions of the shareholders' meeting shall be divided into ordinary resolutions and special resolutions.

To pass an ordinary resolution at a shareholders' 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' 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 104 The following matters shall be passed by way of ordinary resolutions at a shareholder's meeting:

(i) the work report of the Board of Directors;

(ii) the Board's proposed profit distribution plan and loss recovery plan;

(iii) the appointment and removal of members of the Board of Directors and their remuneration and payment methods;

(iv) the Company's annual budget and final accounts report, balance sheet, income statement and other financial statements;

(v) the Company's annual report;

(vi) matters other than those that are required to be passed by special resolution under laws, administrative regulations, securities regulations of the jurisdictions where the Company's shares are listed or the Articles of Association.

Article 105 The following matters shall be passed by way of special resolutions at a shareholder's meeting:

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

(ii) the repurchase and issuance of any class of shares, warrants, debentures and other similar securities of the Company;

(iii) the division, spin-off, merger, dissolution and liquidation of the Company;

(iv) amendments to the Articles of Association;

(v) 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;

(vi) equity incentive plans;

(vii) other matters which are required to be passed by special resolution under laws, administrative regulations, the securities regulations of the jurisdictions where the shares of the Company are listed or the Articles of Association, and which are determined by an ordinary resolution of the shareholders' meeting to have a significant impact on the Company and therefore required to be passed by special resolution.

Article 106 When a shareholder (including his/her/its proxy(ies)) exercises voting rights based on the number of shares carrying voting rights that he/she/it represents, save for the requirements of Article 109 in relation to the adoption of a cumulative voting system for electing directors, there shall be one vote for each share.

When significant matters that have an impact on the interests of small and medium investors are considered by the shareholders' meeting, votes shall be counted separately in respect of the small and medium investors' voting.

The shares of the Company held by it carry no voting rights and such part of shares shall not be counted into the total number of shares carrying voting rights at the shareholders' meeting.

If a shareholder purchases any voting shares of the Company in violation of provisions of the first paragraph and the second paragraph of Article 63 of the Securities Law, voting rights of the shares exceeding the prescribed percentage shall not be exercisable within 36 months after the purchase, and such shares shall not be counted in the total number of voting shares present at the shareholders' meeting.

The Board of Directors, independent directors, shareholders holding more than 1% of the voting shares of the Company or investor protection corporations established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit voting rights of the shareholders in public. In soliciting voting rights of the shareholders, information including the specific voting intention shall be fully disclosed to the persons whose voting rights are being solicited. Soliciting voting rights of the shareholders on a paid basis or paid basis in disguised form is prohibited. Except for the statutory conditions, in soliciting voting rights, the Company shall not impose minimum shareholding proportion requirement.

Article 107 When connected transactions are voted at the shareholders' meeting, the following connected shareholders shall not participate in voting. The voting shares represented by them shall not be counted in the total number of shares validly voted. The voting of non-connected shareholders shall be disclosed fully in the announcement on the resolutions of a shareholders' meeting. Connected shareholders include:

(i) the other party of a transaction;

(ii) direct or indirect controller of the other party of a transaction;

(iii) directly or indirectly controlled by the other party of a transaction;

(iv) together with the other party of a transaction, directly or indirectly controlled by the same legal person (or other organization) or natural person;

(v) any person who holds a position in the other party to the transaction, or in any legal person (or other organization) that directly or indirectly controls, or is directly or indirectly controlled by, the other party to the transaction;

(vi) a close family member of the other party to the transaction or of any person who directly or indirectly controls such other party;

(vii) 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;

(viii) a legal person or natural person which is likely to obtain more benefits from the Company as determined by the CSRC or the Shenzhen Stock Exchange;

(ix) other connected person as defined by the listing rules of the stock exchange where the shares of the Company are listed.

Procedures in respect of abstaining from voting and voting by connected shareholders are as follows: for transactions subject to approval at the shareholders' meeting, the convener shall make a decision prior to the publication of the notice for the shareholders' meeting as to whether such transactions constitute connected transactions pursuant to the laws, regulations and the listing rules of the stock exchange where the shares of the Company are listed. If, based on the judgment of the convener, such transactions to be put forward at the shareholders' meeting constitute connected transactions, the convener shall notify the connected shareholders in writing, and disclose the information on the connected parties regarding the resolutions to be passed at the shareholders' meeting in the notice of the shareholders' meeting.

When the shareholders' meeting considers the connected transaction matter, the connected shareholder shall actively state the situation to the shareholders' meeting and explicitly indicate that he/she will not participate in the voting. In case such shareholder fails to state the connections and abstain from voting, other shareholders may request him to state the situation regarding the relationship and abstain from voting. If such shareholder insists to participate in the voting, all other shareholders attending the shareholders' meeting at the venue can demand for a poll by adopting the procedures for voting special resolutions, and determine whether such transactions constitute connected transactions and whether or not such shareholder shall abstain from voting. Prior to voting, other shareholders are entitled to demand such shareholder to state the situation regarding the relationship, and such shareholder is also entitled to explain his/her views to the shareholders present in the meeting according to the procedures of the meeting. In the event such situation occurs, the person taking the minutes for the shareholders' meeting shall note such details in the minutes as illustrated above.

In the event there is any disagreement by the connected shareholders on the results from the procedures for voting special resolutions in accordance with the paragraph above, he/she is entitled to report the case to the stock exchange, and may also submit the matters whether there is any connection and whether he/she is entitled to voting or not to the People's Court for judgment.

The connected shareholder can participate to consider its own connected transaction, explain and illustrate to the shareholders' meeting whether such connected transactions are fair and legal as well as the reason for entering into such transactions. However, such shareholder shall have no right in participating in the voting of such matters.

In the event such connected shareholder does not abstain from voting when he/she shall, and the shareholders' meeting resolves to pass the resolutions on the relevant connected transactions that result in any unintended loss on the Company, the other shareholders of the Company or any bona fide third party, such connected shareholder shall be liable for the corresponding civil liabilities arising therefrom.

In considering matters relevant to such connected transactions at a shareholders' meeting, the resolutions shall be passed by more than half of the votes representing the non-connected shareholders present in the meeting. However, when such connected transactions are to be adopted as special resolutions, the resolutions shall be passed by more than two thirds of the votes representing non-connected shareholders present in the meeting.

In voting on matters relevant to connected transactions at a shareholders' meeting, the Board of the Company shall reveal the details of such connected transactions to the shareholders' meeting and respond to questions raised by the shareholders of the Company. Prior to voting, the chairman of the meeting shall announce to the shareholders present in the meeting that the connected shareholders shall abstain from voting. The voting can then be conducted according to the procedures as stipulated in this section of the Articles of Association. The Company may vote on matters relating to the amount of connected transactions and their considerations according to specific situations.

Article 108 The Company shall, on the premise of ensuring the lawfulness and validity of the shareholders' meeting, provide facilities to the shareholders attending the shareholders' meeting by adopting various methods and channels including the provision of up-to-date information technology measures such as online voting platforms.

Article 109 The list of candidates for directors shall be submitted to the shareholders' meeting for voting in the form of a proposal in writing.

When voting in respect of the election of non-employee representative directors at the shareholders' meeting is conducted, a cumulative voting system shall be implemented.

The cumulative voting system mentioned in the previous paragraph refers to: in electing directors at the shareholders' meeting, the voting right(s) carried by each share shall be the same as the number of directors to be elected. The voting right(s) of the shareholders can be exercised on a concentration basis. The Board of Directors shall announce the brief biographies and basic information of the candidates for directors to the shareholders.

Methods and procedures for the nomination of directors are as follows:

(i) Any shareholder individually or collectively holding 1% or more of the total number of outstanding shares of the Company with voting rights as well as the Board are entitled to nominate candidates for non-independent Directors (excluding employee representative director). Any shareholder individually or collectively holding 1% or more of the total number of outstanding shares of the Company with voting rights, the Board and the Audit Committee are entitled to nominate candidates for independent Directors. Non-independent directors and independent directors shall be nominated and voted separately. The nominator of an independent director shall not nominate any person who has an interest or any other close associate that may affect the independent performance of his or her duties as a candidate for independent director. An investor protection corporation established in accordance with laws may publicly request shareholders to entrust it to exercise the right to nominate independent directors on their behalf.

(ii) The employee representative director on the Board of Directors shall be democratically elected by the employees of the Company through an employees' representative congress, a general meeting of employees, or other forms, and his/her election shall not be subject to the deliberation and approval of the shareholders' meeting.

(iii) Brief biographies of the candidates nominated for directors and their written consents to accept the nomination shall be lodged with the shareholders' meeting ten days before the shareholders' meeting is convened.

Article 110 Save for the cumulative voting system, all proposals shall be voted one by one at the shareholders' meeting. In the case where different proposals are made on the same matter, votes shall be cast in accordance with the sequence of the proposals presented. Unless the shareholders' meeting is suspended or no resolution may be passed due to exceptional reasons such as force majeure, the proposals shall not be set aside and voting shall take place.

Article 111 When a proposal is being considered at a shareholders' 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 that shareholders' meeting.

Article 112 The same voting right may only be exercised at either an on-site meeting, online or by another voting method. In the event that the same voting right is repeated, the result of the first vote shall prevail.

Article 113 At any shareholders' meeting, a resolution may be decided on a show of hands unless a poll is taken as may be required under the securities regulations of the jurisdictions where the shares of the Company are listed or a poll is demanded before or after any vote by show of hands by:

(i) the chairman of the meeting;

(ii) at least two shareholders or proxies entitled to vote;

(iii) one or more shareholders (including proxies) holding individually or in aggregate 10 per cent or more of the voting rights at such meeting.

Unless a poll is demanded, the chairman's declaration of the results of the voting by show of hands and the record of the same in the minutes of the meeting shall be final evidence of the results of the voting. There is no need to provide evidence as to the number of votes for and against the resolution or the proportion of votes for and against in respect thereof.

The demand for a poll may be withdrawn by the person who makes such demand.

Article 114 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 115 The vote on shareholders' resolution shall be conducted by way of registered poll.

Article 116 Before voting takes place on a proposal at a shareholders' meeting, two shareholders' representatives shall be elected to count and scrutinize the votes. In the event that a shareholder has connections with a matter to be considered, the relevant shareholder and his proxy shall not participate in counting and scrutinizing of the votes.

When voting takes place on a proposal at a shareholders' meeting, lawyers and representatives of shareholders shall be jointly responsible for counting and scrutinizing the votes, 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 online or by another method shall have the right to inspect their own voting results through an appropriate voting system.

Article 117 A physical shareholders' meeting shall not end earlier than the one held online or by another method. The chairman of the meeting shall announce details and voting results on each proposal, and announce whether a proposal is passed according to the voting results.

Before the formal announcement of voting results, the Company, vote counters, vote scrutineers, shareholders, network services providers and other related parties involved at the physical shareholders' meeting, online and by another voting method shall have an obligation to keep confidential details of the voting.

Article 118 Shareholders present at a shareholders' meeting shall express one of the following opinions on a proposal submitted for voting: being in favour of, against or abstaining from voting, save for the circumstance under which the securities registration and clearing institution, acting as the nominal holder of shares under the Mainland-Hong Kong Stock Connect, makes a declaration according to the intentions of the de facto holders.

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

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 in contravention of such requirement or restriction shall not be counted.

Article 119 On a poll taken at the meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his or her votes in the same way.

Article 120 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 121 In the event that the chairman of a meeting has any doubt about the results of a resolution, he may arrange for the counting of the votes; in the event that the chairman has not counted the votes, shareholders or their proxies present at the meeting who disagree with the results announced by the chairman shall have the right to request counting of the votes immediately after the voting results are announced. The chairman shall immediately arrange the counting of votes.

In the event that votes are counted at a shareholders' meeting, the counting results shall be recorded in the minutes. The minutes together with the signature book containing the attending shareholders and the powers of attorney of the attending proxies shall be kept by the Company.

Article 122 The chairman of the meeting shall be responsible for determining whether a resolution has been passed. His decision shall be final and conclusive and announced at the meeting and recorded in the minute book.

Article 123 The Company shall make a public announcement on the resolutions adopted in the shareholders' meeting pursuant to applicable laws and the relevant requirements of the securities regulations of the jurisdictions where the shares of the Company are listed on a timely basis. Such announcement shall include the numbers of shareholders (and proxies) attending the meeting, the numbers of (proxy) shares held by them, their proportion to the total voting shares of the Company, the means of votes, the result of every proposal, the detailed contents of every proposal passed, the attendance and voting information with respect to the holders of domestic shares and of foreign-invested shares.

Article 124 In the event that a proposal is not passed, or a resolution passed at a previous shareholders' meeting is modified at this shareholders' meeting, a special note shall be made in the announcement on the resolutions made at the shareholders' meeting.

Article 125 Save as otherwise provided in the resolutions of the shareholders' meeting, in the event that a proposal on the election of directors is passed at a shareholders' meeting, the new directors shall assume office upon:

(i) the date the existing term for the directors expire or, if the term of the existing directors are about to expire and due for re-election, the date the resolutions of appointing new directors are passed, whichever is later;

(ii) the date the resolutions of appointing new directors are passed, if the existing directors have resigned and are just acting temporarily or have failed to perform the duties as directors due to any reason.

Article 126 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' meeting, the Company shall implement a specific scheme thereon within two months upon the conclusion of the shareholders' meeting.

Article 127 Shareholders may inspect a copy of the minutes free of charge during the office hours of the Company. In the event that a shareholder wants to obtain a copy of the relevant minutes from the Company, the Company shall send out the copy within seven days of verifying the identity of the shareholder and charging a reasonable fee.

Section 7 Special Procedures for Voting by Class Shareholders

Article 128 Shareholders holding shares that are a different class of shares shall be class shareholders holding that class of shares.

Class shareholders shall enjoy rights and undertake obligations in accordance with laws, administrative regulations and the provisions hereof.

Article 129 In the event that the Company intends to alter or abolish the rights of class shareholders, such alteration or abolition may only be made after it is passed by special resolution at a shareholders' meeting, and at shareholders' meetings respectively convened by affected class shareholders in accordance with Articles 131 to 135.

Article 130 The following scenarios shall be deemed as alteration or abolition of the rights of a class shareholder:

(i) increase or decrease the number of shares of that class, or increase or decrease the number of shares of a class entitled to equal or more voting rights, distribution rights and other privileges as the shares of that class;

(ii) change all or part of the shares of that class to the shares of another class, or change all or part of the shares of another class to the shares of that class or grant the conversion rights thereto;

(iii) cancel or reduce the rights owned by the shares of that class to acquire the accrued dividends or cumulative dividends;

(iv) reduce or cancel the rights owned by the shares of that class to the priority to obtain dividends or the distribution of property during the liquidation of the Company;

(v) increase, cancel or reduce the share conversion rights, options, voting rights, transfer rights, priority placement rights and the rights to obtain securities of the Company owned by the shares of that class;

(vi) cancel or reduce the rights owned by the shares of that class to receive payables from the Company in a particular currency;

(vii) establish a new class entitled to equal or more voting rights, distribution rights or other privileges as the shares of that class;

(viii) impose restrictions on or increase such restrictions on the transfer or ownership of the shares of that class;

(ix) issue share options or share conversion rights in respect of the shares of that or another class;

(x) increase the rights and privileges of the shares of other classes;

(xi) a corporate restructuring programme constitutes the unproportionate distribution of responsibilities undertaken by the shareholders of different classes in the restructuring; and

(xii) modify or repeal the clauses hereof.

Article 131 Affected class shareholders, regardless of formerly having the voting rights at shareholders' meetings or not, shall have voting rights at class meetings in relation to matters in items (ii) to (viii) and (xi) to (xii) of Article 130. However, interested shareholders shall not have any voting rights at class meetings.

For the purpose of the preceding paragraph, the expression "interested shareholders" shall have the following meanings:

(i) when the Company makes a repurchase offer to all shareholders by the same proportion in accordance with Article 28 hereof, or buys back its own shares through public trading on a stock exchange, "interested shareholders" mean the controlling shareholders as defined under Article 63 hereof;

(ii) when the Company repurchases its own shares by agreement outside a stock exchange in accordance with Article 28 hereof, "interested shareholders" mean the shareholders in relation to that agreement;

(iii) in a corporate restructuring programme, "interested shareholders" mean the shareholders who undertake obligations at a proportion lower than that of the other shareholders of the same class, or the shareholders having an interest different from that of other shareholders of that class.

Article 132 Resolutions may only be made at a class meeting after they are passed by votes representing more than two-thirds of the shareholders with voting rights present thereat in accordance with Article 131 hereof.

Article 133 To convene a class meeting, the Company shall issue a public announcement 20 business days prior to the date of an annual shareholders' meeting or the longer of 10 business days or 15 days prior to the date of an extraordinary shareholders' meeting, notifying all the shareholders of that class of shares on the register of the matters to be considered thereat as well as the date and venue of the meeting.

Article 134 The notice of a class meeting shall only be given to the shareholders with the rights to vote thereat.

The procedures for convening a class meeting shall be as similar as possible to those for convening a shareholders' meeting. The clauses herein regarding the procedures for convening a shareholders' meeting shall apply to class meetings.

Article 135 Other than the shareholders of other classes of shares, holders of domestic shares and overseas-listed foreign-invested shares shall be deemed as shareholders of different classes.

The following scenarios shall not apply to the special procedures for voting by class shareholders: (i) with the approval by special resolution at a shareholders' meeting, the Company issues either domestic shares or overseas-listed foreign-invested shares and both of them at an interval of 12 months, and the respective number of the proposed domestic shares and overseas-listed foreign-invested shares does not exceed 20% of the outstanding shares of that class; (ii) the Company's plan to issue domestic shares and overseas-listed foreign-invested shares during its establishment is completed within 15 months of the approval by the securities regulatory authority under the State Council; (iii) the holders of the Company's domestic shares may transfer their shareholding to foreign investors upon the approval of securities regulatory authorities of the State Council for listing and trading in an overseas stock exchange.

CHAPTER 6 THE BOARD OF DIRECTORS

Section 1 General Provisions of Directors

Article 136 Directors of the Company shall be natural persons, who are not required to hold shares in the Company. A person who falls into any of the following circumstances shall not serve as director of the Company:

(i) civil incompetence or limited civil competence;

(ii) sentenced to criminal penalty on a crime of corruption, bribery, encroachment of property, embezzlement or disrupting socialist economic order, or been deprived of political rights due to criminal offense and 5 years have not yet lapsed since the completion of the sentence, or sentenced to probation and 2 years have not lapsed since the expiration of the probation period;

(iii) 3 years have not 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 president and was personally liable for the bankruptcy;

(iv) 3 years have not lapsed since the date of revocation of the business license or being ordered to shut down due to law violations, and where the person served as the legal representative and was personally liable;

(v) a relatively large amount of personal debt is overdue but remains unpaid and the person is listed as a dishonest person subject to enforcement by the People's Court;

(vi) the person is currently being prohibited from participating in securities market by the CSRC and such barring period has not elapsed;

(vii) the person has been publicly determined by the stock exchange to be inappropriate to serve as a director, senior management officer, etc., of a listed company, where the term has not expired; and

(viii) 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/her term of office, the Company shall remove him/her from the position and terminate the performance of his/her duties.

Article 137 Directors shall be elected or replaced by the shareholders' meeting. The term of office of directors is 3 years, renewable upon re-election at its expiry.

Written notice of the intention to nominate candidates for directors and their consent to accept the nomination shall be lodged with the Company after the despatch of the notice of the shareholders' meeting and no later than 7 days before the holding of the shareholders' meeting. The period of such written notice shall not be less than 7 days.

Subject to the applicable laws and administrative regulations, the shareholders' meeting shall have the power to remove any director by ordinary resolution before the expiration of his/her term of office without prejudice to any claim for damages by the director pursuant to any contract.

Subject to the relevant laws, regulations and regulatory rules of the place where the shares of the Company are listed, if the Board of Directors appoints a director to fill a casual vacancy or as an addition to the Board of Directors, such appointed Director shall hold office only until the next annual shareholders' meeting after his appointment and shall be eligible for re-election at the meeting. All Directors appointed to fill a casual vacancy shall be subject to election by shareholders at the next shareholders' meeting after their appointment. Save for the foregoing, 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 the Articles of Association until the re-elected director assumes office.

Directors may hold a concurrent post as president or other senior management officers of the Company, provided that the total number of directors who are serving concurrently as president or other senior management officers shall not be more than half of the total number of directors.

Article 138 Directors shall comply with the laws, administrative regulations and the Articles of Association, and shall fulfill obligations to the Company as follows:

(i) not to abuse his position to accept bribes or other illegal income or misappropriate the properties of the Company;

(ii) not to misappropriate the funds of the Company;

(iii) not to set up accounts in his/her own name or in the name of any other person for the purpose of depositing any of the assets or funds of the Company;

(iv) 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' meeting or the Board of Directors in contravention of the provisions of the Articles of Association;

(v) not to enter into contracts or carry out transactions with the Company, directly or indirectly, without first reporting to the Board of Directors, the shareholders' meeting or the management in accordance with the prescribed approval authority, and obtaining approval in accordance with the provisions of the Articles of Association and the Administrative Measures for Connected Transactions of Livzon Pharmaceutical Group Inc.;

(vi) not to abuse his position to seize business opportunity for himself/herself or for other persons which shall otherwise belong to the Company, unless such opportunity has been reported to the Board of Directors or the shareholders' meeting and approved by a resolution of the shareholders' meeting, or unless the Company is unable to pursue such business opportunity pursuant to the laws, administrative regulations or the provisions of the Articles of Association;

(vii) not to operate a business similar to that of the Company for himself/herself or for other persons without first reporting to the Board of Directors or the shareholders' meeting and obtaining approval by a resolution of the shareholders' meeting;

(viii) not to misappropriate commissions derived from transactions entered into by the Company;

(ix) not to disclose confidential information of the Company without permission;

(x) not to abuse his connections with the Company to jeopardize the interests of the Company;

(xi) not to take advantage of insider information to seek personal gains or the interests of other individuals;

(xii) other fiduciary obligations as required by the laws, administrative regulations, departmental rules and the Articles of Association.

The provisions of item (v) of the first paragraph of this Article shall apply where a contract is concluded or a transaction is conducted between the Company and: (1) a close relative of a Director or a senior management officer; (2) an enterprise directly or indirectly controlled by a Director, a senior management officer, or their close relatives; or (3) a connected person with any other connection with a Director or a senior management officer.

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

(i) 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;

(ii) to treat all shareholders impartially;

(iii) to keep informed of the business operations and management of the Company;

(iv) to sign the regular reports of the Company for confirmation, and to ensure the information disclosed by the Company is true, accurate and complete;

(v) to honestly provide the Audit Committee with relevant information, and not to interfere with the Audit Committee in performing their duties and powers;

(vi) to fulfill other due diligence obligations stipulated by laws, administrative regulations, rules of regulatory authorities and the Articles of Association.

Article 140 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 shareholders' meeting.

Article 141 Directors may resign before expiry of their terms of office. The directors to resign shall submit to the Company a written report in relation to their resignation. The resignation shall take effect on the date the Company receives the resignation report, and the Company shall disclose the relevant information within 2 days.

In the event that the resignation of any director results in the number of members of the Board falling below the quorum, or the resignation of a member of the Audit Committee results in the number of members of the Audit Committee falling below the quorum, or results in the lack of an accounting professional, the existing director shall continue to perform his duties in accordance with the laws, administrative regulations, rules of regulatory authorities and the provisions of the Articles of Association until the re-elected director assumes office.

Article 142 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 5 year after the termination of tenure.

Article 143 No directors shall act, in their personal capacity, on behalf of the Company or the Board if not provided in the 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 144 A director who violates any laws, administrative regulations, rules of regulatory authorities or the 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 145 The Board shall consist of 11 members, one of whom shall be an employee representative Director. The Board shall have one Chairman, and Vice Chairmen can be appointed if necessary. The Chairman and Vice Chairmen shall be elected by the affirmative vote of more than half of all the Directors. Among the members at least one third of them shall be independent directors, and there is also at least one member who is an accounting professional.

Article 146 The Board shall exercise the following authority and powers:

(i) to convene shareholders' meetings and report to the shareholders' meetings;

(ii) to implement the resolutions passed at shareholders' meetings;

(iii) to determine the Company's business plans and investment schemes;

(iv) to prepare the Company's annual financial budget and final accounts;

(v) to formulate the Company's profit distribution plan and loss recovery plan;

(vi) 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;

(vii) to draft plans for material acquisition, acquisition of the shares of the Company under the circumstances as required in items (i) and (ii) of the first paragraph of Article 27 of the Articles of Association, merger, division, dissolution or change in corporate form;

(viii) to determine the acquisition of the shares of the Company under the circumstances as required in items (iii) to (vii) of the first paragraph of Article 27 of the Articles of Association within the authorisation of the shareholders' meeting;

(ix) save as otherwise provided by the securities regulations of jurisdictions where the shares of the Company are listed, 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 donations within the authorisation of the shareholders' meeting;

(x) to determine the establishment of the Company's internal management structure;

(xi) to decide to appoint or dismiss the Company's President and the secretary to the Board and other senior management officers, and to decide on their remuneration, rewards and penalties, and pursuant to the president's nominations, to decide to appoint or dismiss senior officers including vice presidents and chief financial officer of the Company and to decide on their remuneration, rewards and penalties;

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

(xiii) to formulate the proposed amendments to the Articles of Association;

(xiv) to deal with information disclosures of the Company;

(xv) to propose to the shareholders' meeting for appointment or replacement of the accounting firms serving as the auditors of the Company;

(xvi) to receive work report submitted by the president and to review his performance;

(xvii) to exercise other duties and powers specified in the laws, regulations, securities regulations of jurisdictions where the Company's shares are listed, or the Articles of Association, as well as those granted by the shareholders' meeting.

The Board's resolutions on the matters set out in the preceding paragraph, save for items (v), (vi), (vii) and (xii) which shall require the consent of two-thirds or more of the directors, shall be passed by a simple majority of all directors.

Matters beyond the scope of authorization of the shareholders' meeting shall be submitted to the shareholders' meeting for consideration.

Article 147 The Board of the Company shall give explanations at the shareholders' meeting on the qualified audit opinions issued by certified public accountants on the Company's financial report.

Article 148 The Board shall formulate the rules of procedures for the Board to ensure its implementation of the resolutions passed at the shareholders' meeting to enhance efficiency and to ensure scientific decision-making.

Article 149 The Board of Directors shall establish strict examination and approval procedures by setting the scope of authority for conducting foreign investment, purchase and sale of assets, asset pledge, guarantee, related party transactions and external donations. Material investment projects shall be examined by experts and other professionals as arranged by the Board of Directors, and shall be submitted to the shareholders' meeting for approval.

When the transaction amount of the Company reaches the approval threshold for the shareholders' meeting as stipulated by the securities regulations of the jurisdictions where the Company's shares are listed, it shall be submitted to the shareholders' meeting for approval. Where the transaction amount does not reach the approval threshold for the shareholders' meeting as stipulated by the securities regulations of the jurisdictions where the Company's shares are listed, but the transaction amount represents 10% or more of the Company's latest audited net assets, or reaches other review thresholds for the Board of Directors as stipulated by the securities regulations of the jurisdictions where the Company's shares are listed, it shall be submitted to the Board of Directors for review and approval. Where the transaction amount does not reach the review threshold for the Board

of Directors, it shall be submitted to the Company's management for review and approval, and reported to the Board subsequently.

The aforementioned transactions include the following types of activities occurring outside the Company's ordinary business operations: purchase or sale of assets, external investments (including entrusted wealth management, investments in subsidiaries, etc.), provision of financial assistance (including entrusted loans, etc.), leasing in or leasing out of assets, entrusting or being entrusted with the management of assets and business, giving or receiving donations of assets, debt or debt restructuring, transfer or acceptance of transfer of research and development projects, conclusion of licensing agreements, waiver of rights (including waiver of pre-emptive rights, priority rights to contribute capital, etc.), and other transactions recognized as such by the securities regulations of the jurisdictions where the Company's shares are listed.

Except for providing a guarantee to major subsidiaries, the Company shall require the beneficiary of the guarantee to provide the Company with a counter-guarantee for the guarantee provided by the Company to other external parties, the counter-guarantee provider shall actually be capable to provide such counter-guarantee.

As to those external guarantees not falling within the scope as provided in Article 65 of the Articles of Association, or not exceeding the limit as provided in Article 65 of the Articles of Association, they shall be submitted to the Board for approval. As to those external guarantees falling within the scope as provided in Article 65 of the Articles of Association, or exceeding the limit as provided in Article 65 of the Articles of Association, the Board shall prepare the proposals to be submitted to the shareholders' meeting for approval.

Connected transactions shall be subject to the relevant review and approval procedures of the securities regulatory authorities and the stock exchange where the shares of the Company are listed.

The resolutions of the Board with respect to the provision of external guarantee by the Company under the fifth paragraph of this Article shall be considered and approved by a simple majority of all directors as well as more than two-thirds of the directors present at the meeting of the Board.

The officers being nominated and appointed by the Company to act as directors of the wholly-owned subsidiaries, major subsidiaries and investors of the Company shall obtain the authorization from the Company prior to participation in the decisions made by the board of such entities concerning matters such as external investment, acquisitions and mergers, asset disposals and external guarantees made by such entities.

Article 150 The Board shall not, without prior approval of shareholders in a shareholders' meeting, dispose of or agree to dispose of any fixed assets of the Company where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any disposal of fixed assets in the four months immediately preceding the proposed disposal exceeds 33% of the value of the Company's fixed assets as stated in the latest balance sheet approved by the shareholders' meeting. Should there be any inconsistency between the preceding requirements and the provisions of the stock exchange on which the shares of the Company are listed in respect of the subject matter, the latter shall prevail. If the shares of the Company are listed on two or more stock exchanges, and should there be any inconsistency between the listing rules of these stock exchanges in respect of the subject matter, the strictest one shall prevail.

A "disposal of fixed assets" as referred to in this Article includes the transfer of interest in certain assets but excludes the usage of fixed assets for provision of guarantee.

The effectiveness of transaction of the Company's disposal of fixed assets will not be affected by a breach of the first paragraph of this Article.

Article 151 The Chairman of the Board shall perform the following duties and powers:

(i) to preside over shareholders' meetings and to convene and preside over board meetings;

(ii) to supervise and monitor the implementation of resolutions of board meetings;

(iii) to sign share certificates, debentures and other quote securities of the Company;

(iv) to sign important documents of the Board and other documents which shall be signed by the Company's legal representative;

(v) to exercise the authority and powers of a legal representative;

(vi) 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' meeting;

(vii) other duties and powers as authorised by the Board.

Article 152 The Vice Chairman shall assist the Chairman in performing his duties. If the Chairman is unable or fails to perform his duties, the Vice Chairman shall perform the duties of the Chairman (if there are two or more Vice Chairmen, the one jointly elected by more than half of the directors shall perform the duties of the Chairman). If the Vice Chairman is unable or fails to perform his duties, a director shall be elected jointly by more than half of all directors to perform such duties.

Article 153 Board meetings shall be held on a regular basis. The Board shall at least hold 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 14 days before the date of the meeting.

Article 154 A meeting of the Board shall be convened and presided over by the Chairman within 10 days under any of the following circumstances:

(i) if deemed necessary by the Chairman;

(ii) if proposed by shareholders holding more than 10% of the voting rights;

(iii) if jointly proposed by more than one third of directors;

(iv) if jointly proposed by more than half of the independent directors;

(v) if proposed by the Audit Committee;

(vi) if proposed by the President.

Article 155 The notice of convening an extraordinary meeting of the Board shall be in writing or by E-mail. The notice shall be served 5 days before the date of the extraordinary meeting of the Board. The reasonable notice may be served by phone or other means on the date of the extraordinary meeting of the Board of Directors under emergency circumstances.

Article 156 A notice of board meeting shall set out the following information:

(i) date and venue of the meeting;

(ii) duration of the meeting;

(iii) reason to convene such meeting and business to be discussed;

(iv) date of the notice.

Article 157 A board meeting shall be held only if it has a quorum of more than half of the directors and each director has one vote. Resolutions passed at the board meeting shall be approved by more than half of the directors.

Article 158 When a director is considered to have connections with the enterprise or individual involved in a resolution of the Board, such Director shall promptly report in writing to the Board. Save as those otherwise provided in the laws, administrative regulations, relevant regulation or rules, the connected 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 the quorum is met 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' meeting for discussion and consideration. The definition and scope of connected directors shall be determined in accordance with the requirements of the securities regulatory authorities and the stock exchanges where the shares of the Company are listed.

Article 159 The vote on board resolutions shall be taken by way of registered poll. Each director shall have 1 vote.

Provided that all directors can fully express their opinions and the procedures comply with the Articles of Association and the securities regulations of the jurisdictions where the Company's shares are listed, an extraordinary board meeting may be held by written resolution (including delivery by hand, post, facsimile, email, etc.) or by electronic means (such as videophone, telephone conference), and resolutions passed shall be signed by all participating directors and kept by the secretary to the Board.

Article 160 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 power of attorney 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.

Article 161 Minutes shall be taken for decisions made on matters discussed at the meeting and directors attending the meeting and the person taking the minutes shall sign on the minutes. Directors shall be accountable for the board resolutions. If a board resolution violates the laws, administrative regulations or the Articles of Association thus causing 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.

Minutes of Board meetings shall be kept and filed by the Company for 10 years.

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

(i) date and venue of the meeting and the name of the convener;

(ii) names of the attending directors and names of those appointed by others (proxies) to attend the board meeting;

(iii) agenda of the meeting;

(iv) main points of the statements of directors;

(v) 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).

Section 3 Independent Directors

Article 163 Independent Directors shall, in accordance with laws, administrative regulations, the provisions of the CSRC, stock exchanges, and the Articles of Association, diligently perform their duties, play a role in participating in decision-making, exercising checks and balances, and providing professional advice within the Board, safeguard the overall interests of the Company, and protect the legitimate rights and interests of minority shareholders.

Article 164 Independent Directors must maintain independence. The following persons shall not serve as independent Directors:

(i) Persons working in the Company or its associated entities, and their spouses, parents, children, and main social relationships;

(ii) Natural person shareholders who directly or indirectly hold 1% or more of the Company's issued shares or are among the top ten shareholders of the Company, and their spouses, parents, and children;

(iii) Persons working in shareholders holding 5% or more of the Company's issued shares directly or indirectly or the top five shareholders of the Company, and their spouses, parents, and children;

(iv) Persons working in the associated entities of the Company's controlling shareholders or de facto controllers, and their spouses, parents, and children;

(v) Persons having major business dealings with the Company and its controlling shareholders, de facto controllers, or their respective associated entities, or persons working in units having major business dealings with the Company and their controlling shareholders or de facto controllers;

(vi) Persons providing financial, legal, consulting, sponsorship, and other services to the Company and its controlling shareholders, de facto controllers, or their respective associated entities, including but not limited to all members of the project team, reviewers at all levels, signatories on reports, partners, directors, senior management personnel, and primary responsible persons of the intermediary institutions providing the services;

(vii) Persons who have fallen under any of the circumstances listed in items (i) to (vi) above within the last 12 months;

(viii) Other persons who are not independent as stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed and these Articles of Association.

Independent Directors shall conduct self-assessment of their independence annually and submit the self-assessment report to the Board. The Board shall assess the independence of incumbent independent Directors annually and issue a special opinion, which shall be disclosed together with the annual report.

Article 165 A person serving as an independent Director of the Company shall meet the following conditions:

(i) Possess the qualifications for serving as a director of a listed company according to laws, administrative regulations, and other relevant provisions;

(ii) Meet the independence requirements stipulated in the Articles of Association;

(iii) Possess basic knowledge of the operation of listed companies and be familiar with relevant laws, regulations, and rules;

(iv) Have five years or more of necessary work experience in law, accounting, economics, or other fields required for performing the duties of an independent director;

(v) Have good personal character and no adverse records such as being seriously discredited;

(vi) Other conditions stipulated by laws, administrative regulations, stock exchange business rules, the securities regulations of jurisdictions where the Company's shares are listed, and the Articles of Association.

Article 166 As members of the Board of Directors, independent Directors owe duties of loyalty and care to the Company and all shareholders, and shall prudently perform the following duties:

(i) Participate in Board decision-making and express clear opinions on matters discussed;

(ii) Supervise matters involving potential major conflicts of interest between the Company and its controlling shareholders, de facto controllers, Directors, and senior management officers, and protect the legitimate rights and interests of minority shareholders;

(iii) Provide professional and objective advice for the Company's operational development, and promote the improvement of the Board's decision-making level;

(iv) Other duties stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and the Articles of Association.

Article 167 Independent Directors shall exercise the following special powers:

(i) Independently engage intermediary institutions to audit, consult, or verify specific matters of the Company;

(ii) Propose to the Board to convene an extraordinary shareholders' meeting;

(iii) Propose to convene a Board meeting;

(iv) Solicit shareholders' rights from shareholders publicly in accordance with the law;

(v) Express independent opinions on matters that may damage the interests of the Company or minority shareholders;

(vi) Other powers stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and these Articles of Association.

The exercise of the powers listed in items (i) to (iii) of the preceding paragraph by the independent Directors shall be subject to the consent of more than half of all independent Directors.

When independent Directors exercise the powers listed in the first paragraph, the Company shall disclose promptly. If the above powers cannot be exercised duly, the Company shall disclose the specific situation and reasons.

Article 168 The following matters shall be submitted to the Board for deliberation after being approved by more than half of all independent Directors of the Company:

(i) Connected transactions that should be disclosed;

(ii) Plans of the Company and related parties to alter or exempt commitments;

(iii) Decisions and measures taken by the Board of Directors of the acquired listed company in response to the acquisition;

(iv) Other matters stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and the Articles of Association.

Article 169 The Company shall establish a mechanism for special meetings attended solely by independent Directors. Matters such as connected transactions to be deliberated by the Board shall be subject to prior approval by the special meeting of independent Directors.

The Company shall hold special meetings of independent Directors regularly or irregularly. Matters listed in items (i) to (iii) of the first paragraph of Article 167 and Article 168 shall be deliberated by the special meeting of independent Directors.

The special meeting of independent Directors may study and discuss other matters of the Company as needed.

The special meeting of independent Directors shall be convened and chaired by one independent Director jointly recommended by more than half of the independent Directors; if the convener fails to perform or is unable to perform his/her duties, two or more independent Directors may convene the meeting on their own and recommend one representative to chair it.

The special meeting of independent Directors shall prepare meeting minutes in accordance with regulations. The opinions of the independent Directors shall be recorded in the meeting minutes. The independent Directors shall sign to confirm the meeting minutes.

The Company shall provide convenience and support for the convening of special meetings of independent Directors.

Section 4 Special Committees of the Board of Directors

Article 170 The Company's Board of Directors shall establish an Audit Committee, which shall exercise the functions and powers of the supervisory committee as stipulated by the Company Law and the functions and powers stipulated by the securities regulations of jurisdictions where the Company's shares are listed.

Article 171 The Audit Committee shall consist of at least 3 members, who are Directors not serving as senior management officers of the Company, with independent Directors constituting more than half of the members. At least one member of the Audit Committee shall have appropriate professional qualifications or appropriate accounting or related financial management expertise as required by the relevant regulatory regulations of the jurisdictions where the Company's shares are listed. The Audit Committee shall have one convener, who shall be an independent Director with accounting expertise. The employee representative on the Board of Directors may serve as a member of the Audit Committee.

Article 172 The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control. The following matters shall be submitted to the Board for deliberation after being approved by more than half of all members of the Audit Committee:

(i) Disclosure of financial accounting reports and financial information in periodic reports, internal control evaluation reports;

(ii) Hiring or dismissing the accounting firm undertaking the audit business of the Company;

(iii) Appointing or dismissing the financial officer of the Company;

(iv) Changes in accounting policies, accounting estimates, or corrections of major accounting errors for reasons other than changes in accounting standards;

(v) Other matters stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and the Articles of Association.

Article 173 The Audit Committee shall convene at least one meeting every quarter. Interim meetings may be convened upon the proposal of two or more members or when the convener deems it necessary. A meeting of the Audit Committee may be held only if at least two-thirds of its members are present.

Resolutions of the Audit Committee shall be adopted by the affirmative vote of more than half of the members of the Audit Committee.

Voting on resolutions of the Audit Committee shall be conducted on a one-person-one-vote basis.

Resolutions of the Audit Committee shall be recorded in meeting minutes in accordance with regulations. Members of the Audit Committee present at the meeting shall sign the meeting minutes.

The working procedures of the Audit Committee shall be formulated by the Board of Directors.

Article 174 The Company's Board of Directors shall establish other special committees such as Strategy Committee, Nomination Committee, Remuneration and Assessment Committee, and Environmental, Social and Governance Committee, which shall perform their duties in accordance with the Articles of Association and the authorization of the Board. Proposals of the special committees shall be submitted to the Board for deliberation and decision. The working procedures and functions and powers of the special committees shall be formulated by the Board of Directors. Independent Directors shall constitute majority of the members of the Nomination Committee and the Remuneration and Assessment Committee, and the conveners of these committees shall be independent Directors. The Nomination Committee shall have at least one member of a different gender.

Article 175 The Nomination Committee shall be responsible for formulating the selection criteria and procedures for Directors and senior management officers, screening and reviewing candidates for Directors and senior management officers and their qualifications, and making recommendations to the Board on the following matters:

(i) Nominating or appointing/removing Directors;

(ii) Appointing or dismissing senior management officers;

(iii) Other matters stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and the Articles of Association.

If the Board does not adopt or fully adopt the recommendations of the Nomination Committee, the Board resolution shall record the opinions of the Nomination Committee and the specific reasons for non-adoption, and such information shall be disclosed.

Article 176 The Remuneration and Assessment Committee shall be responsible for formulating the assessment standards for Directors and senior management officers and conducting assessments, formulating and reviewing the remuneration policies and schemes for Directors and senior management officers, including the remuneration determination mechanism, decision-making process, payment and clawback arrangements, etc., and making recommendations to the Board on the following matters:

(i) The remuneration of Directors and senior management officers;

(ii) Formulating or changing equity incentive plans, employee share ownership plans, and the fulfillment of conditions for grantees to obtain and exercise rights under such plans;

(iii) Arrangements for Directors and senior management officers to hold shares in subsidiaries intended to be spun off;

(iv) Other matters stipulated by laws, administrative regulations, the securities regulations of jurisdictions where the Company's shares are listed, and these Articles of Association.

If the Board does not adopt or fully adopt the recommendations of the Remuneration and Assessment Committee, the Board resolution shall record the opinions of the Remuneration and Assessment Committee and the specific reasons for non-adoption, and such information shall be disclosed.

CHAPTER 7 PRESIDENT AND OTHER SENIOR MANAGEMENT OFFICERS

Article 177 The Company shall have one president, who shall be appointed or removed upon the decision of the Board of the Company. The Company shall have certain vice-presidents, who shall be nominated by the president and appointed or removed upon the decision of the Board of the Company.

The Company's president, vice presidents, the Secretary to the Board and the Chief Financial Officer are the senior management officers of the Company.

Article 178 The circumstances defined in the Articles of Association with respect to disqualified directors of the Company are applicable to the President and other senior management officers of the Company.

Requirements with respect to the directors' duty of good faithfulness and obligations of integrity and diligence set out in the Articles of Association shall also be applicable to the President and other senior management officers.

Article 179 A person holding a position other than that of a director or a supervisor in the entity of the Company's controlling shareholders and de facto controllers shall not hold the office of a senior management officer of the Company.

The senior management officers shall be only entitled to salaries paid by the Company, and the controlling shareholders shall not pay the salaries on behalf of the Company.

Article 180 The term of the President shall be stipulated in the appointment contract according to the business needs of the Company by the Board, which is usually not more than 3 years; the president may serve consecutive terms if reappointed.

Article 181 The President shall report to the Board of Directors and have the following duties and powers:

(i) to be in charge of the production, operation and management of the Company, to organize and implement the resolutions adopted by the Board, and to report his work to the Board of Directors;

(ii) to organize and implement the annual business plans and investment plans of the Company;

(iii) to draft schemes for the establishment of the Company's internal management departments;

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

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

(vi) to make proposals regarding the appointment or removal of the vice president and chief financial officers of the Company;

(vii) to appoint or remove managerial officers other than those to be appointed or removed by the Board of Directors;

(viii) other duties and powers authorized by the Articles of Association and the Board.

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 182 The President 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 183 The detailed working rules formulated for the President shall include the following:

(i) conditions and procedures for convening and participants of the President's meetings;

(ii) specific duties and division of labour of the President, vice president and other senior management officers;

(iii) 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

(iv) other matters as deemed necessary by the Board of Directors.

Article 184 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 and the Company.

Article 185 The vice presidents shall assist the president in dealing with the management of the Company, with which their terms of references shall be determined by the relevant systems of the Company.

Article 186 The Company shall have a Secretary to the Board, who shall be a senior management officer of the Company, and will be responsible for the preparation of the shareholders' meetings and meetings of the Board, document keeping as well as the management of shareholders' information, information disclosure and other matters.

The Secretary to the Board shall comply with laws, administrative regulations, regulations of the regulatory authorities and the Articles of Association.

Article 187 The office of the Secretary to the Board shall be held by a natural person with necessary professional knowledge and experience, who shall be appointed by the Board. The major duties of the Secretary to the Board are:

(i) to keep the Company's organizational documents and records intact;

(ii) to be responsible for the communication and liaison between the Company, relevant parties, the stock exchange and other relevant securities supervision authorities to ensure the Company can maintain its contact with the stock exchange at any time;

(iii) to be responsible for the management of information disclosure of the Company; to urge the Company to formulate and exercise the information disclosure rules and internal reporting rules for significant information; to urge the Company and relevant parties to discharge their duties of information disclosure; to submit the regular and temporary reports to the stock exchange in accordance with relevant regulations;

(iv) to coordinate the relationship between the Company and investors; to coordinate investors' visits; to answer the questions raised by investors; to provide the investors with the information disclosed by the Company;

(v) to prepare meetings of the Board and the shareholders' meetings in accordance with legal procedure; to prepare and submit the documents of the meetings of the Board and the shareholders' meetings;

(vi) to attend the meetings of the Board; to prepare the minutes and sign on it;

(vii) to be responsible for the confidentiality work relating to information disclosure; to formulate the measures on confidentiality; to urge all members of the Company's Board and relevant informed persons to keep the information confidential before it is disclosed; to adopt any remedial measures for release of insider information in time and report to stock exchange at the same time;

(viii) to be responsible to keep the shareholders' register, the directors' register, the documents stating that the directors, President and other senior management officers holding the shares of the Company, and the documents and minutes of the shareholders' meeting, the meeting of the Board;

(ix) to assist the directors, President and other senior management officers in being informed of relevant laws, administrative regulations, rules, other governance documents and the Articles of Association, as well as the liabilities being stipulated on them in the listing agreement;

(x) to urge the Board to discharge its duties in accordance with laws; where the Board is going to make a resolution which is in violation of laws, administrative regulations, rules, other governance documents and the Articles of Association, the secretary to the Board shall remind the directors attending the meeting and request the Audit Committee members at presence to express their opinions; if the Board insists in making the resolution, the secretary to the Board shall record the opinions of relevant Audit Committee members and persons in the minutes and report to the stock exchange;

(xi) other responsibilities stipulated in the laws, administrative regulations, and those required to be performed by the securities regulatory authorities and the stock exchange where the shares of the Company are listed.

Article 188 A director or other senior management officers of the Company may concurrently serve as the secretary to the Board, while no member of the Audit Committee shall serve concurrently as the secretary to the Board. No accountant of the accounting 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 189 The senior management officers shall be liable for any losses caused to the Company by their breach of any law, administrative regulation, department rules or the Articles of Association in performing their duties on behalf of the Company.

Article 190 The senior management officers of the Company shall perform their duties faithfully and protect the best interests of the Company and all shareholders. If the senior management officers of the Company fail to perform their duties faithfully or violate their fiduciary duties, causing damage to the interests of the Company and public shareholders, they shall be liable for damages according to law.

Article 191 The validity of anything done by the Directors, President and other senior management officers of the Company on behalf of the Company to a third party acting in good faith shall not be impaired by any non-compliance of such Directors, President and other senior management officers in respect to their appointment, election or qualification.

Article 192 In addition to the obligations required by the laws, administrative regulations or the securities regulations of jurisdictions where the shares of the Company are listed, the Directors, President and other senior management officers of the Company shall also undertake the following obligations to each Shareholder when performing the duties and authorities granted by the Company:

(i) not to cause the Company to go beyond its business scope as specified in its business licenses;

(ii) to act in good faith to maximize the interests of the Company;

(iii) not to deprive the property of the Company in whatever form, including (but not limited to) the opportunities in favor of the Company;

(iv) not to deprive the personal rights and interests of the shareholders, including (but not limited to) the right of distribution and voting right, but excluding the Company reorganization proposal submitted to the shareholders' meeting in line with the Articles of Association.

Article 193 The Directors, President and other senior management officers of the Company shall do as they are expected with the prudence, diligence and skills that are demonstrated by a person of reason and prudence under a similar situation in the performance of their rights or duties.

Article 194 When performing their duties, the Directors, President and other senior management officers of the Company shall observe the principles of honesty and integrity, and shall not put themselves in a situation where their personal interests may conflict with their obligations. This principle includes (but is not limited to) the performance of the following obligations:

(i) to act in good faith to maximize the interests of the Company;

(ii) to exercise their authority within the scope specified and not to exceed their authority;

(iii) to exercise the right of discretion available to them in person, and refuse to be manipulated by others; and never transfer their right of discretion to others, unless permitted by the laws and administrative regulations or agreed upon by the shareholders' meeting;

(iv) to treat shareholders of the same class equally, and treat shareholders of different classes fairly;

(v) not to sign any contract, deal or make any arrangements with the Company, unless otherwise specified by the Articles of Association, or approved by the shareholders' meeting;

(vi) not to use the Company's property in whatever form to seek personal interests for themselves, unless otherwise allowed by the shareholders' meeting;

(vii) not to use the authority to take bribes or solicit other illegal incomes, and never encroach upon the Company's property in whatever form, including (but not limited to) the opportunity in favor of the Company;

(viii) not to accept commissions related to the dealings of the Company, unless otherwise agreed upon by the shareholders' meeting;

(ix) to observe the Articles of Association, to perform the roles loyally, to safeguard the interests of the Company, and not to use their position and authority in the Company to seek private gains;

(x) not to compete against the Company in any form, unless except with the informed consent of the shareholders' meeting;

(xi) not to embezzle the Company's funds or make loans to others out of the funds of the Company, not to deposit the assets of the Company in an account opened under their personal names or any other names, and not to use assets of the Company as security for loans to shareholders of the Company or others;

(xii) not to disclose any confidential information of the Company obtained during their terms, nor use such information for any purpose other than for the interests of the Company, unless otherwise agreed upon by the shareholders' meeting. Nevertheless, such information may be disclosed to the court or other competent authority in the following cases:

1. disclosure is required by the laws;

2. there is a duty to the public to disclose;

3. it is in the personal interests of such Director, President and other senior management officer to require disclosure.

Article 195 The Directors, President and other senior management officers of the Company shall not incite the following persons or institutions (hereafter referred to as "related persons") to do such things as such Director, President and other senior management officer is prohibited from doing:

(i) spouses or minor children of the Directors, President and other senior management officers of the Company;

(ii) the trustees of Directors, President and other senior management officers of the Company or any persons as described in item (i) above;

(iii) the partner of Directors, President and other senior management officers of the Company or any persons as set forth under items (i) and (ii) above;

(iv) a company controlled de facto by the Directors, President or other senior management officers of the Company alone or jointly or the persons named in items (i), (ii) and (iii) above or other Directors, President and other senior management officers of the Company has a de facto controlling interest;

(v) The Directors, President and other senior management officers of the controlled company as described in item (iv) above.

Article 196 The fiduciary duty of a Director, President and other senior management officer of the Company does not necessarily cease upon the termination of his tenure of office. The obligation of confidence in relation to the trade secrets of the Company shall survive after the termination of his tenure. Other obligations may continue for such period as to be determined under the principle of fairness, depending on the time lapse between the acts concerned and the termination and the circumstances and the conditions under which the relationship with the Company terminated.

Article 197 Except as provided in Article 62 of the Articles of Association, Directors, President and other senior management officers of the Company may be exempted from liabilities for specific breach of duties with informed consent by the shareholders' meeting.

Article 198 Where the Directors, President and other senior management officers of the Company have a major interest, directly or indirectly, in the contract, deal or arrangement already ongoing or proposed to be executed by the Company (except the employment contracts between the Company and the Directors, President and other senior management officers), they shall disclose to the Board of Directors as soon as possible why and how they are relevant thereto, no matter whether or not the relevant issue shall be generally subject to the sanction by the Board of Directors.

A director shall not vote on any contract, deal or arrangement or other relevant proposals which are approved by the Board, in which he/she or any of his/her related person has a major interest, nor shall he/she be included in the quorum of the meeting.

Unless the interested Director, President or other senior management officer has disclosed his/her connection to the Board in accordance with the preceding paragraph of this Articles and the above matter has been approved by the Board at a meeting in which the interested Director, Supervisor or senior management officer is not counted in the quorum and has refrained from voting, such contract, transaction or arrangement is voidable by the Company except against a bona fide third party who is unaware of the facts about the breach of duty on the part of the said Directors, and senior management officers or unless otherwise specified by laws, administrative regulations, relevant governing ordinances or regulations.

If the related persons of the Directors, President and other senior management officers of the Company have related interests in a contract, deal or arrangement, the relevant Directors, President and other senior management officers shall also be considered as having an interest therein.

Article 199 If, prior to the Company beginning to consider signing a contract, deal or making an arrangement, a Director, President or other senior manager of the Company notifies the Board of Directors in writing, stating that such contract, deal or arrangement to be executed by the Company in the future would be relevant to him due to the contents contained in the notice, he/she shall be deemed to have made the disclosure specified in the previous article of this Chapter to the extent of the scope stated in the notice.

Article 200 The Company shall in no way whatsoever pay taxes for its Directors, President and other senior management officers, except for the obligation to withhold and pay taxes on their behalf required to perform under the laws, administrative regulations or departmental rules.

Article 201 The Company shall not provide loans or loan guarantees directly or indirectly to the Directors, Supervisors (if any), President and other senior management officers of the Company and its parent company, or to the related persons of the aforesaid persons.

The preceding paragraph shall not apply to the following cases:

(i) the Company provides loans or loan guarantees for subsidiaries;

(ii) the Company provides loans, loan guarantees or other funds for the Directors, President and other senior management officers according to the employment contract approved by the shareholders' meeting so that they may pay the expenses incurred for the purpose of the Company or for the performance of their duties;

(iii) if the normal business scope of the Company includes provision of loans and loan guarantees, the Company may provide loans or loan guarantees to concerned Directors, President and other senior management officers as well as their related persons, provided only that these are based on the general commercial terms.

Article 202 If the Company provides a loan in violation of the previous article, the recipient of the loan shall be immediately returned, regardless of the terms by which it was granted.

Article 203 A loan guarantee provided by the Company in breach of provision under the first paragraph of Article 201 shall be unenforceable against the Company, except under the following circumstances:

(i) the lender is not informed when offering loans to related persons of the Directors, Supervisors (if any), President and other senior management officers of the Company or its parent company;

(ii) the collateral provided by the Company has been sold by the borrower legally to a bona fide purchaser.

Article 204 The term "guarantee" as described in the preceding articles of this Chapter shall include an undertaking by the guarantor or property provided to secure the performance of obligations by the obligor.

Article 205 When the Directors, President and other senior management officers of the Company breach their obligations to the Company, the Company shall have the right to take the following measures in addition to the various rights and remedies provided by the laws and administrative regulations:

(i) to require relevant Directors, President and other senior management officers to compensate the loss incurred by the Company on account of their delinquency;

(ii) to rescind any contract or deal executed by the Company with relevant Directors, President and other senior management officers as well as any contract or deal concluded by the Company with a third person (when such third person clearly knows or is reasonably expected to know of the breach of obligations by the Directors, President and other senior management officers representing the Company);

(iii) to require Directors, President and other senior management officers to give up the income obtained as a result of the breach of their obligations;

(iv) to recover the money received by relevant Directors, President and other senior management officers that shall have been received by the Company, including (without limitation to) commissions;

(v) to require relevant Directors, President and other senior management officers to return the interests earned or possibly earned on the money that shall have been paid to the Company.

Article 206 The Company shall establish written contracts on remunerations with the Directors of the Company, and such contracts shall be approved by the shareholders' meeting in advance. The aforesaid remunerations shall include:

(i) remunerations for being the Directors or senior management officers of the Company;

(ii) remunerations for being the directors or senior management officers of subsidiaries of the Company;

(iii) remunerations for other services rendered for the management of the Company and its subsidiaries;

(iv) compensation paid to relevant Directors for the loss of positions or retirement.

Except for the aforesaid contract, the Directors shall not take a legal action against the Company over the interests they shall obtain because of the aforesaid issues.

Article 207 There shall be a provision in a contract made between the Company and a Director in respect of his/her remuneration that the Director shall, with the prior approval of the shareholders in shareholders' meeting, be entitled to payment by way of compensation for loss of office or other amounts as consideration for his/her retirement from office in connection with the takeover of the Company. The takeover of the Company as described in the previous paragraph refers to any one of the following:

(i) a takeover offer made to all shareholders by any person;

(ii) a takeover offer made by any person with a view to the offer of becoming the controlling shareholder. The definition of "controlling shareholder" shall be the same as the one defined in the Article 63 of the Articles of Association.

If a relevant Director fails to observe this Article, then any amount he/she receives shall be owned by those persons who accept the takeover offer and sell their Shares, and such Director shall pay the expenses arising out of the distribution of such amount in proportion, and such expenses shall not be deducted out of such amount.

CHAPTER 8 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System

Article 208 The Company shall establish a financial and accounting system in line with the laws, administrative regulations and provisions of accounting standard of the PRC stipulated by the finance administration authority of the State Council.

Article 209 The Company shall prepare a financial report at the end of each accounting year, and such financial statement shall be reviewed and verified by accounting firms according to the laws.

The Company shall submit and disclose its annual report to the local CSRC office and the stock exchange within 4 months after the close of each accounting year; submit and disclose the interim report to the branch of the CSRC and the stock exchange within 2 months after the end of the first half of each accounting year.

The above annual reports and interim reports shall be prepared according to relevant laws, administrative regulations and provisions of the CSRC and the stock exchange.

Article 210 The Board of Directors of the Company shall, at each annual shareholders' meeting, submit to the financial reports that shall be prepared by the Company under relevant laws, administrative regulations and regulatory documents promulgated by the regional governments and departments in charge.

Article 211 The financial report of the Company shall be kept at the Company and shall be made available to the shareholders at least 20 days before the annual shareholders' meeting is held. Each shareholder of the Company shall have the right to obtain the financial report mentioned in this Chapter.

The Company shall send notices and announcements regarding the report of directors together with its annual report (including the annual accounts and the auditors' report in relation to these accounts, including but not limited to the balance sheet (including all documents required to be annexed to the balance sheet according to the relevant regulations) and the income statement or profit or loss statement (including the aforesaid financial reports)) or a summary of the financial report in accordance to Article 236 of the Articles of Association at least 21 days prior to the convening of the annual shareholders' meeting.

Article 212 The annual financial statement of the Company shall be prepared in line with the accounting standards, laws and regulations of China and also in line with the relevant requirements of the securities regulatory authorities in the overseas listing region.

Article 213 The interim results or financial data published or disclosed by the Company shall be prepared according to the Chinese accounting standards, laws and regulations, and also in line with relevant requirements of the securities regulatory authorities in the overseas listing region.

Article 214 The Company shall publish the financial report twice each accounting year, namely, publish the interim financial report within 60 days after the end of the first 6 months of the accounting year, and publish the annual financial report within 120 days after the end of the accounting year.

If the rules of the securities regulatory authorities of the region where the Company shares are listed specify otherwise, such specifications shall prevail.

Article 215 The Company shall not maintain a separate accounts book except the one required by law. The assets of the Company shall not be deposited in any account opened under a personal name.

Article 216 The Company shall, when distributing the post-tax profit of an accounting year, accrue 10% of the profit to list it in the statutory reserves of the Company. The Company may not further accrue the statutory reserves when its accumulative amount exceeds 50% of the registered capital of the Company.

When the statutory reserves of the Company falls short to offset the loss of prior years, the Company shall use the profit earned during the year to offset the loss before accruing the statutory reserves according to the previous paragraph.

After accruing the statutory reserves out of the post-tax profit, the Company may, subject to the resolution of the shareholders' meeting, accrue the discretionary reserve out of the post-tax profit.

The post-tax profit left after the loss recovery and accrual of the reserves shall be distributed in proportion according to the shareholding proportions of the shareholders, unless otherwise specified under the Articles of Association.

If the shareholders' meeting distributes profits in violation of the Company Law, the shareholders shall return the profits distributed in breach of the law to the Company. If such distribution causes losses to the Company, the shareholders and the Directors and senior management officers liable for the violation shall be liable for compensation.

The company shares held by the Company shall not participate in the profit distribution.

Article 217 The reserves of the Company are used to offset the losses of the Company, expand business scale or convert into increased registered capital.

In the case of offsetting the Company's losses, the discretionary reserve and the statutory reserve shall be used first. If the losses still cannot be fully covered thereafter, the capital reserve may be used in accordance with applicable regulations.

When the statutory reserve is converted into increased registered capital, the remaining amount of such reserve shall not be less than 25% of the registered capital of the Company before the conversion.

A**rticle 218** The capital reserve includes the amounts named below:

(i) premium obtained from the Share issuance at a price higher than the par value;

(ii) other incomes that shall be listed in the capital reserves according to the provisions of the finance administration authority of the State Council.

Article 219 The Company's profit distribution policy is set out as follows:

(i) The profit distribution of the Company shall focus on providing shareholders with reasonable investment return as well as the Company's sustainable development, and the Company shall maintain the continuity and stability of the profit distribution policy as much as possible.

(ii) The Company may distribute its profit in the form of cash, shares or a combination of cash and shares or in other ways as permitted by the laws.

(iii) The Company distributes its profit annually in principle. Nevertheless, interim profit distribution in cash may be made by the Company subject to conditions.

(iv) Subject to the condition that the Company's cash flow could satisfy normal operation and long-term development need, the Company shall implement proactively the cash dividends distribution and shall guarantee that the accumulated profit to be distributed in cash for the latest three years shall not be less than 30% of the average annual distributable profit realized in the latest three years. Particulars of the proportion of profit distributed in cash annually are proposed by the Board of Directors in accordance with relevant requirements and the Company's operation of the year, which shall be submitted to the shareholders' meeting for approval.

The Company shall, after considering various factors such as the characteristics of the industry where it operates, stage of development, business model, profitability and investment expenses, propose different cash dividend policy based on the following situation according to statutory procedures:

1. If the Company is at a mature stage of development with no significant capital expenditure arrangement at the time of profit distribution, cash dividend payout ratio of such profit distribution shall be at least 80%;

2. If the Company is at a mature stage of development with significant capital expenditure arrangement at the time of profit distribution, cash dividend payout ratio of such profit distribution shall be at least 40%;

3. If the Company is in a growing stage of development with significant capital expenditure arrangement at the time of profit distribution, cash dividend payout ratio of such profit distribution shall be at least 20%.

(v) The Company may distribute cash dividend, provided that the following conditions are fulfilled:

1. Positive figures are recorded for the distributable profits of the Company (i.e. post-tax profit left after the loss recovery and accrual of the reserves) during the year;

2. A standard unqualified audit report is issued by an auditor for the financial report of the Company during the year;

(vi) Conditions for the Company to declare script dividend: subject to the fulfilment of the conditions for declaring cash dividend, if the operating income and net profit of the Company show rapid growth, in addition to propose a cash dividend proposal, the Board of Directors of the Company can propose a script dividend proposal if it considers the scale of the share capital and shareholding structure of the Company are reasonable.

(vii) Decision-making procedures of profit distribution policy

1. The management and Board of Directors of the Company shall propose a profit distribution recommendation of the Company based on the profitability, capital requirements and shareholders' return plan. The recommendation shall be put for approval at a shareholders' meeting upon review and approval of the Board of Directors. When determining specific cash dividend proposal of the Company, the Board of Directors shall study and discuss on, among others, the timing, conditions as well as the minimum ratio, conditions for adjustments and the requirements of decision procedures.

   The independent Directors can gather views from minority shareholders in order to propose a distribution proposal, and submit it directly to the Board of Directors for its approval.

2. Before the specific proposals for distributing cash dividends are considered at the shareholders' meeting, the Company shall communicate with the shareholders, especially the minority shareholders, through various channels, such that the opinions and requests of the public shareholders can be fully heard, and their concerns can be responded in a timely manner.

3. If the Company fulfils the conditions for declaring cash dividends, but does not propose any cash dividend proposal, the management shall explain to the Board of Directors the reasons for not distributing dividend, and the purpose and the proposed application of the undistributed funds retained by the Company. A special resolution will be put forward to the shareholders' meeting for approval upon review and approval of the Board of Directors. The Company shall provide an online voting platform to its shareholders, apart from the onsite meeting, when convening the shareholders' meeting.

4. The Company shall strictly implement the cash dividend policy stipulated in the Articles of Association and the specific cash dividend proposal considered and approved at the shareholders' meetings. If the Company needs to adjust or change the profit distribution policy due to significant changes in the external operating environment or its own operations, it shall be resolved by the Board of Directors after due discussion, and then put forward a special resolution at the shareholders' meeting for approval.

(viii) The Company shall expressly disclose the details about the formulation and implementation of the cash dividend policy in the annual report, and state the details on the following matters:

1. Whether the policy is in compliance with the requirements of the Articles of Association or the resolutions passed at the shareholders' meeting;

2. Whether the basis and ratio of the distribution are specific and clear;

3. Whether the relevant procedures and system are sound;

4. Whether there are opportunities for the public shareholders to fully express their views and requests, and whether their legal interests are sufficiently protected, etc.

If the cash dividend policy is to be adjusted or changed, the Company shall disclose in details such as whether the conditions and procedures for the adjustments or changes are in compliance with the regulations and transparent.

If the Company fulfils the conditions for declaring cash dividends, but does not propose any cash dividend proposal, it shall provide the reasons in details for not distributing dividend, and the purpose and the proposed application of the undistributed funds retained by the Company in the annual reports.

(ix) Upon occurrence of any illegal appropriation of the Company's funds by shareholders, the Company shall deduct the cash dividends to be paid to such shareholders to make up for the funds appropriated by such shareholders.

Article 220 The Company shall appoint a collection agent for the shareholders holding overseas-listed foreign-invested shares. The collection agent shall, on behalf of relevant shareholders, receive the dividend and other payables distributed by the Company in respect to the overseas-listed foreign-invested shares.

The collection agent appointed by the Company shall meet the requirements under the laws of the listing region or relevant provisions of the stock exchange.

The collection agent appointed by the Company for the holders of the overseas-listed foreign-invested shares listed at the Hong Kong Stock Exchange shall be a trust company registered in accordance with the Trustee Ordinance of Hong Kong.

Subject to the relevant laws, administrative regulations, rules and requirements of the Hong Kong Stock Exchange, the Company may exercise the right to confiscate unclaimed dividends, but such right shall be exercised only after the applicable time expires.

The Company shall have the right to terminate the delivery of the dividend coupon through the postal service to a holder of overseas-listed foreign-invested shares, but the Company may only exercise such right after the dividend coupon is not cashed twice in succession. The Company may also exercise such right after the dividend coupon is not delivered to the recipient for the first time and was thus returned.

The Company shall have the right to sell the overseas-listed foreign-invested shares held by a Shareholder who is not available for contact in such a way as is considered appropriate by the Board of Directors, but this shall observe the following conditions:

(i) the Company has distributed dividend to relevant shares for at least 3 times within 12 years, during which the dividend is unclaimed;

(ii) after the 12-year period expires, the Company shall publish an announcement on one or more newspapers in the listing region of the Company, specifying the intent to sell the Shares, and notify the stock exchange where such Shares are listed.

Section 2 Internal Audit

Article 221 The Company shall implement an internal audit system, which shall specify the leadership structure, responsibilities and authorities, staffing, funding assurance, application of audit results, and accountability mechanisms for internal audit activities.

Article 222 The internal audit function of the Company shall carry out supervision and inspection of the Company's business activities, risk management, internal controls, financial information, and related matters.

The internal audit function shall maintain independence, be staffed with dedicated auditors, and shall neither be placed under the authority of the finance department nor be merged with it.

Article 223 The internal audit function shall be accountable to the Board of Directors, and the Audit Committee shall participate in the performance appraisal of the head of the internal audit function.

During the process of supervising and inspecting the Company's business activities, risk management, internal controls, and financial information, the internal audit function shall accept the supervision and guidance of the Audit Committee. If the internal audit function identifies any material issues or clues, it shall report them directly to the Audit Committee immediately.

Article 224 The internal audit function shall be responsible for the specific organization and implementation of the Company's internal control evaluation. Based on the evaluation report issued by the internal audit function and reviewed by the Audit Committee, along with relevant materials, the Company shall issue an annual internal control evaluation report.

Article 225 When the Audit Committee communicates with external audit entities such as accounting firms and state audit institutions, the internal audit function shall actively cooperate and provide necessary support and assistance.

Section 3 Engagement of Accounting Firms

Article 226 The Company shall engage an accounting firm that conforms to the relevant provisions of the Securities Law to audit and review the accounting statements and other financial reports of the Company, verify the net assets and offer other consulting services, the term of which shall be one year, and may be renewed.

Article 227 The term of engagement of the accounting firm engaged by the Company as its auditor shall commence when the current annual shareholders' meeting finishes and end when next annual shareholders' meeting concludes.

Article 228 Save for the circumstances mentioned in Article 232 and Article 234 of the Articles of Association, the engagement of an accounting firm by the Company as its auditor shall be decided by the shareholders' meeting, and the Board of Director shall not engage an accounting firm before any resolution made by the shareholders' meeting.

The engagement of accounting firm serving as the Company's auditor shall be proposed by the Board of Directors and approved by the shareholders' meeting by poll.

Article 229 The accounting firm engaged by the Company shall enjoy the following rights:

(i) to have the access to the financial statements, records or vouchers of the Company at any time, and have the right to require the Directors, President or other senior management officers of the Company to provide relevant materials and statements;

(ii) to require the Company to take every reasonable measure to obtain the materials and statements of the subsidiaries necessary for the accounting firm to perform its duties;

(iii) to attend the shareholders' meeting, obtain the meeting notices any Shareholder is entitled to and other information related to the meeting, and address any general meeting over the issues concerning the accounting firm.

Article 230 The Company guarantees that the accounting evidence, accounting books, financial report and other accounting information provided to the accounting firm engaged are true and complete without refusal, withholding or false information.

Article 231 The auditing fee and remuneration of the accounting firm shall be determined by the shareholders'meeting.

Article 232 If there is a vacancy of the office of the accounting firm, the Board of Directors may fill up the vacancy by appointing an accounting firm before convening the shareholders' meeting. But during the period when the vacancy subsists, if the Company has other accounting firm in office, such firm can continue to carry out the relevant duty.

Article 233 The shareholders' meeting may dismiss any accounting firm through an ordinary resolution before the term of such accounting firm expires, regardless of the contract made by the Company with such accounting firm. If the relevant accounting firm enjoys the right to claim compensation from the Company because of the disengagement, the relevant rights shall not be influenced by this provision.

Article 234 The shareholders' meeting shall determine if the Company will engage, disengage or not reengage the accounting firm serving as the Company's auditor, and report its decision to the securities regulatory authority of the State Council.

The shareholders' meeting shall observe the following rules when engaging a candidate accounting firm not in position now to fill any vacancy of the position of the accounting firm, or re-engage an accounting firm who was appointed by the Board of Directors to fill a casual vacancy, or dismiss an accounting firm whose term has not yet expired:

(i) the proposal on engagement or disengagement shall be sent to the accounting firm proposed for engagement or proposed for departure, or the accounting firm that has departed within the accounting year, before the meeting notice of the shareholders' meeting is distributed.

Departure includes disengagement, resignation and termination of the term.

(ii) if the accounting firm about to depart from the position makes a written statement and requires the Company to furnish such statement to the shareholders, the Company shall take the following measures, unless the Company receives such written statement too late:

1. specify the accounting firm about to depart from the position has made the statement on the notice distributed to make a resolution;

2. distribute the duplicate of the statement as an appendix to the notice in the manner specified in the Articles of Association.

(iii) If the Company fails to distribute the statement of the accounting firm as specified in item (ii) of this paragraph, the accounting firm may require the statement to be read out at the shareholders' meeting and further appeal.

(iv) the accounting firm that has departed from the position shall have the right to participate in the following meetings:

1. the shareholders' meeting for which the term of the accounting firm shall expire;

2. the shareholders' meeting that incurs a vacancy because of the dismissal of the accounting firm;

3. The shareholders' meeting convened because of the active resignation of the accounting firm;

The accounting firm that has left the office shall have the right to receive all the notices or other information related to the aforesaid meetings, and to address such meetings over the issues concerning itself as the former accounting firm of the Company.

Article 235 When the Company dismisses or disengages the accounting firm, it shall notify the accounting firm 30 days in advance. The accounting firm shall be given the opportunity to state their opinion during the voting of resolutions to dismiss the accounting firm at the shareholders' meeting of the Company.

When the accounting firm requests to resign from the position, the accounting firm shall explain to the shareholders' meeting whether there is anything inappropriate with the Company.

CHAPTER 9 NOTICES AND ANNOUNCEMENTS

Section 1 Notices

Article 236 The notices of the Company shall be delivered by the following means:

(i) by a dedicated person;

(ii) by mail;

(iii) by way of an announcement;

(iv) by facsimile;

(v) by E-mail; or

(vi) by other means approved by the securities regulatory authority and stock exchange where the shares of the Company are listed or stipulated in the Articles of Association.

Article 237 According to the Hong Kong Listing Rules regarding the requirements of the means in providing or delivering corporate communications to holders of foreign-invested shares, subject to the laws and regulations and listing rules of the place where the Company is listed as well as the Articles of Association, corporate communications may be provided or delivered to holders of foreign-invested shares by posting on the websites designated by the Company and/or the websites of the Hong Kong Stock Exchange or by other electronic means.

Corporate communications referred to in the preceding paragraph means any document issued or to be issued by the Company for the information or action of the holders of foreign-invested shares, including but not limited to: (1) report of the Board, annual financial statements, auditors' report and financial summary of the Company (if applicable); (2) interim report and summary of interim report of the Company (if applicable); (3) notices of meetings; (4) listing documents; (5) circulars; (6) proxy forms (as defined in the listing rules of the stock exchange where the shares of the Company are listed).

Article 238 Notices to be given by the Company to holders of domestic shares shall be published in one or more newspapers meeting the conditions required by the CSRC. Once published, all holders of domestic shares shall be deemed to have received such notice.

Article 239 Any notice for convening a shareholders' meeting of the Company shall be given by way of an announcement or other way as specified in the Articles of Association.

Article 240 Any notice for convening a meeting of the Board of the Company shall be given by mail, by E-mail, by fax, by phone or by hand.

Article 241 For any notice delivered by hand, the addressee shall sign or seal with chop on the receipt slip and the date of delivery shall be the date of the confirmation of receipt by such addressee. For any notice delivered by mail, the date of delivery shall be the third business day upon the delivery to the post office. For any notice delivered by fax or email or published on website, the date of delivery shall be the date of sending or publishing. For any notice delivered by announcement, the date of delivery shall be the first day on which such announcement is published.

Article 242 The accidental omission to give notice of a meeting to, or the failure to receive the notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions passed at such meeting.

Section 2 Announcements

Article 243 The Company shall issue announcements and disclose information to holders of domestic shares through at least one of the following newspapers – China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily as specified by the Company and websites meeting the conditions required by the CSRC for information disclosure.

Article 244 If it is required to make public announcements to the holders of overseas-listed foreign-invested shares pursuant to the Articles of Association, the announcement shall also be published in such manner as required by the Hong Kong Listing Rules.

CHAPTER 10 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 245 The merger or division of the Company shall be proposed by the Board for approval in accordance with the review procedures set out in the Articles of Association. Approval for merger or division shall be sought in accordance with the relevant legal requirements. A shareholder who disagrees with the proposed merger or division shall have the right to demand the Company or the consenting shareholders to acquire his shares at a fair price.

The resolution of merger or division of the Company shall be contained in a special document for inspection by shareholders.

Such document shall be sent to holders of overseas-listed foreign-invested shares of the Company by mail.

Article 246 Merger of the Company may take place by absorption or by the establishment of a new company.

Absorption means a company absorbs another company and the absorbed company will be dissolved. Otherwise, two or more companies will combine together for the establishment of a new company, and the original companies will be dissolved.

Article 247 The merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days of the date of the merger resolution and shall publish an announcement on the media designated by the Company for information disclosure or on the National Enterprise Credit Information Publicity System within 30 days of the date of the merger resolution. The creditors shall, within 30 days after receipt of notice or, if the creditors not receiving such notice, within 45 days of the announcement of any merger, be entitled to demand the Company to repay in full or to provide a guarantee.

Article 248 Upon merger, the claim and debts of each of the merged parties shall be assumed by the surviving party or the newly established company.

Article 249 Where there is a division of the Company, its assets shall be divided accordingly. The parties to the division shall execute a division agreement and prepare their respective balance sheet and inventory of assets. The Company shall notify its creditors within 10 days of the date of the division resolution and shall publish an announcement on the media designated by the Company for information disclosure or on the National Enterprise Credit Information Publicity System within 30 days of the date of the division resolution.

Article 250 Unless a written agreement has been entered into by the Company and its creditors in relation to the repayment of debts before division, liabilities of the Company prior to the division shall be jointly assumed by surviving companies after division.

Article 251 Where the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days from the date of the shareholders' meeting resolution for reduction of registered capital and shall publish an announcement on the media designated by the Company for information disclosure or on the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. A creditor has the right within 30 days of receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days of the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debt.

Where the Company reduces its registered capital, it shall reduce the capital contributions or shares held by shareholders in proportion to their respective shareholding percentages, unless otherwise provided by the law, the Articles of Association, or a resolution of the shareholders' meeting. The registered capital of the Company after the reduction shall not be lower than the statutory minimum.

Article 252 If the Company still has losses after offsetting them in accordance with the provisions of Paragraph 2 of Article 217 of the Articles of Association, it may reduce its registered capital to cover such losses. In the case of a capital reduction to cover losses, the Company shall not make any distribution to shareholders, nor shall it be relieved of the shareholders' obligation to make capital contributions or pay for shares.

A capital reduction conducted in accordance with the preceding paragraph shall not be subject to the provisions of Paragraph 2 of Article 251 of the Articles of Association; however, the Company shall publish an announcement on the media designated by the Company for information disclosure or on the National Enterprise Credit Information Publicity System within 30 days from the date of the resolution for the reduction of registered capital.

After the Company reduces its registered capital in accordance with the preceding two paragraphs, it shall not distribute any profits until the accumulated amount of the statutory reserve and the discretionary reserve reaches 50% of the Company's registered capital.

Article 253 If the registered capital is reduced in violation of the Company Law or other relevant provisions, the shareholders shall return the funds received by them, and any capital contributions waived for shareholders shall be reinstated; if losses are caused to the Company, the shareholders and the Directors and senior management officers liable for the violation shall be liable for compensation.

Article 254 When the Company issues new shares to increase its registered capital, the shareholders shall have no pre-emptive rights to subscribe for the new shares, unless otherwise provided in the Articles of Association or a resolution of the shareholders' meeting determines that the shareholders have such pre-emptive rights.

Article 255 The Company shall, in accordance with the law, apply for change in its registration with the company registration authority in the event of any change in any particulars in its registration as a result of any merger or division. Where the Company is dissolved, the Company shall apply for cancellation of its registration in accordance with the law. Where a new company is established, the Company shall apply for registration thereof in accordance with the law.

If the Company increase or reduce its registered capital, the Company shall, in accordance with the law, apply for change of registration with the company registration authority.

Section 2 Dissolution and Liquidation

Article 256 The Company shall be dissolved and liquidated according to laws upon the occurrence of any of the following events:

(i) the term of operation of the Company specified in the Articles of Association expires or occurrence of any other events of dissolution specified in the Articles of Association occurs;

(ii) a resolution for dissolution is passed at a shareholders' meeting;

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

(iv) the Company is legally declared insolvent due to its failure to repay debts as they become due;

(v) the business licence of the Company is revoked or the Company is ordered to close down or deregister in accordance with the law;

(vi) where the Company is in serious difficulties in operations and its continual operation will lead to substantial loss to the shareholders and there is no other solutions to resolve the matters, the shareholders who aggregately hold more than 10% of total voting shares of the Company can apply to the People's Court for dissolution of the Company.

Where a dissolution event set forth in the preceding paragraph occurs, the Company shall publicize the cause of dissolution via the National Enterprise Credit Information Publicity System within 10 days.

Article 257 In the event that the situation described in items (i) or (ii) of Article 256 in the Articles of Association occurs and the Company has not yet distributed its assets to shareholders, the Company may continue its operation through amending the Articles of Association or by a resolution of the shareholders' meeting.

Amendments to the Articles of Association pursuant to the preceding paragraph or resolution of the shareholders' meeting shall be passed by two-thirds or more of the voting rights held by the shareholders present at a shareholders' meeting.

Article 258 Where the Company is dissolved pursuant to items (i), (ii), (v) and (vi) of Article 256 in the Articles of Association, it shall be liquidated. The Directors shall be the liquidation obligors and shall form a liquidation group within 15 days from the date the dissolution event occurs to carry out the liquidation.

The liquidation group shall be composed of the Directors, unless otherwise provided in these Articles of Association or a resolution of the shareholders' meeting appoints other persons.

Where a liquidation obligor fails to perform its liquidation obligations in a timely manner and causes losses to the Company or its creditors, it shall be liable for compensation.

Article 259 Where the Board resolves to liquidate the Company for any reason other than the declaration of its own insolvency, the Board shall include a statement in its notice convening a shareholders' meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the Board is of the opinion that the Company will be able to pay its debts in full within twelve months from the commencement of the liquidation.

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

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

Article 260 During the liquidation period, the liquidation committee shall exercise the following functions and powers:

(i) to notify the creditors or to publish public announcements;

(ii) to verify the assets of the Company, prepare a balance sheet and an inventory of assets;

(iii) to handle and liquidate any unfinished businesses of the Company;

(iv) to pay all outstanding taxes and taxes incurred in the process of liquidation;

(v) to settle claim and debts;

(vi) to distribute the surplus assets remaining after the debts of the Company have been repaid;

(vii) to represent the Company in any civil proceedings.

Article 261 The liquidation committee shall inform the creditors within 10 days of its establishment and an announcement shall be published on the media designated by the Company or on the National Enterprise Credit Information Publicity System for information disclosure within 60 days. The creditors shall declare their claims to the liquidation committee within 30 days of the date on which the notice is received or 45 days of the date of announcement if the notice is not received.

Creditors shall provide explanation for the relevant matters and evidence of the claims upon declaration of such claims. The liquidation committee shall carry out registration of the creditors' claims.

The liquidation committee shall not make any repayment to the creditors during the period of declaration of claims.

Article 262 After the liquidation committee has cleared the assets of the Company and prepared a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and present it to a shareholders' meeting or to the People's Court for confirmation.

The assets of the Company shall settle liquidation expenses, remuneration, social security and statutory compensation payable to employees, remaining assets of the Company after payment respectively, the Company shall distribute to its shareholders according to the class of shares and the proportion of shares held.

During the liquidation, the Company remains subsisting but shall not commence any business activities not related to the liquidation. The assets of the Company shall not be distributed to shareholders before repayments have been made pursuant to the preceding paragraph.

Article 263 If after verifying the assets of the Company and preparing a balance sheet and an inventory of assets, the liquidation committee finds that the assets of the Company are insufficient to repay the debts of the Company in full, it shall immediately apply to the People's Court for bankruptcy liquidation. After the People's Court accepts the bankruptcy application, the liquidation of the Company shall be taken up by the bankruptcy administrator appointed by the People's Court.

Article 264 After completion of the liquidation, the liquidation committee shall prepare a liquidation report, a statement of income and expenses and a financial report in respect of the liquidation period, which shall be audited by a Chinese Certified Public Accountant and submitted to the shareholders' meeting or the relevant competent authority such as People's Court for confirmation.

The liquidation committee shall, within thirty days after such confirmation, submit the documents referred above to the relevant competent authority such as the Court and apply for cancellation of registration of the Company, and publish a public announcement relating to the termination of the Company.

Article 265 The members of the liquidation committee shall owe duties of loyalty and diligence in performing their liquidation duties.

Members of the liquidation group who fail to diligently perform their liquidation duties and thereby cause losses to the Company shall be liable for compensation. The members of the liquidation committee shall be liable to compensate the Company or creditors any loss caused intentionally or by material default.

Article 266 In the event that the Company is legally declared insolvent, insolvent liquidation shall be carried out pursuant to the relevant regulations on enterprise insolvency.

CHAPTER 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 267 The Company may amend the Articles of Association pursuant to the laws, the administrative regulations and the provisions of the Articles of Association. Amendments shall be made to the Articles of Association by the Company in any of the following circumstances:

(i) where after any change in the Company Law or the relevant law and administrative regulations, there is conflict between the provisions under the Articles of Association and those under the revised versions of the Company Law, the relevant laws and administrative regulations;

(ii) where there is any change to the Company which is different from the statements as set out in the Company's Articles of Association;

(iii) upon resolution of a shareholders' meeting to make any amendment to the Articles of Association.

Article 268 The amendments to the Articles of Association as adopted by resolution of the shareholders' meeting which shall be approved by competent authorities shall be submitted to the competent authorities for approval. Where amendments involve registration matters of the Company, procedures for alteration of registration shall be dealt with in accordance with the law.

Article 269 The Board shall amend the Articles of Association in accordance with the resolution to amend the Company's Articles of Association passed at the shareholders' meeting and the review opinions from the relevant competent authorities.

Article 270 Where amendments to the Articles of Association constitute the disclosable information under the laws and regulations, the Company shall disclose the amendments in accordance with provisions.

CHAPTER 12 DISPUTE RESOLUTION

Article 271 The Company shall abide by the following principles for dispute resolution:

(i) For any disputes or claims arising between holders of the overseas-listed foreign-invested shares, or between holders of the overseas-listed foreign-invested shares and the directors, supervisors, chief executive officer or other senior management officers of the Company; or between holders of the overseas-listed foreign-invested shares and holders of domestic shares, in respect of any rights or obligations under the Articles of Association, or any rights or obligations conferred or imposed by the Company Law, the securities regulations of jurisdictions where the Company's shares are listed, and other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.

Where a dispute or claim of rights referred above is referred to arbitration, the entire claim or dispute shall be referred to arbitration and 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 shall agree with the arbitration if such person is the Company, the shareholders, directors, president or other senior management officers of the Company.

Disputes in respect of the identification of shareholders and disputes in relation to the register of shareholders need not be resolved by arbitration.

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

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

(iii) If any disputes or claims are settled by way of arbitration in accordance with item (i), the laws of the PRC shall apply, save as otherwise provided in the laws and administrative regulations.

(iv) The award of an arbitral body shall be final and conclusive and binding on all parties.

Article 272 For disputes not involving those specified in Article 271 in the Articles of Association, the parties may choose to settle these by litigation or arbitration.

CHAPTER 13 MISCELLANEOUS

Article 273 Definitions

(i) "Controlling shareholder" refers to the subject as defined in Article 63 of the Articles of Association.

(ii) "De facto controller" refers to a natural person, legal person, or any other organization that can actually control the actions of the Company through investment relationships, agreements or any other arrangements.

(iii) "Connection(s)" refers to the relationship of the controlling shareholders, de facto controllers, directors, and senior management officers of the Company with any other enterprise under their direct or indirect control and any other relationship that may lead to the transfer of the Company's interest, including connected relationships recognized in accordance with the Accounting Standards for Business Enterprises or the securities regulations of the jurisdictions where the Company's shares are listed. However, enterprises controlled by the state shall not be deemed to have a connected relationship solely because they are all controlled by the state. The term "connected transaction" in the Articles of Association includes "connected transaction" as defined in the Hong Kong Listing Rules; the term "connected parties" includes "connected person" as defined in the Hong Kong Listing Rules.

(iv) The term "accounting firm" in the Articles of Association has the same meaning as "auditor" in the Hong Kong Listing Rules; the term "independent director" has the same meaning as "independent non-executive director" in the Hong Kong Listing Rules.

(v) The term "President" as used in the Articles of Association refers to the "Manager" as mentioned in the Company Law, and the term "Vice President" as used in the Articles of Association refers to the "Deputy Manager" as mentioned in the Company Law.

Article 274 The Board may formulate by-laws in accordance with the Articles of Association, provided that such by-laws shall not be in violation of the Articles of Association.

Article 275 The Articles of Association is prepared in Chinese. In case of any inconsistency between the Articles of Association and the articles of association in any other language or of different version, the latest Chinese version approved by and registered with the company registration authority at the place of the Company's incorporation shall prevail.

Article 276 Unless otherwise specified, the expressions of "or more", "within" and "below" used in the Articles of Association shall include the original number, while the expressions of "exceeding" "more than" and "less than" shall not include the original number.

Article 277 The interpretation of the Articles of Association shall be vested to the Board of the Company and it shall come into effect upon consideration and approval at the shareholders' meeting of the Company.

Article 278 The rules and procedures for the shareholders' meetings and Board meetings are enclosed with the Articles of Association as appendices.