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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Xinte Energy Co., Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

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# 新特能源

**XINTE ENERGY CO., LTD.**

**新特能源股份有限公司**

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

**(Stock code: 1799)**

**PROPOSED APPOINTMENT OF DIRECTOR;  
PROPOSED ABOLISHMENT OF THE SUPERVISORY BOARD;  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND RELEVANT RULES OF PROCEDURE;  
NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2025;  
NOTICE OF THE FIRST H SHARES SHAREHOLDERS CLASS MEETING OF 2025;  
AND  
NOTICE OF THE FIRST DOMESTIC SHARES SHAREHOLDERS  
CLASS MEETING OF 2025**

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A letter from the Board is set out on pages 4 to 9 of this circular.

The notices convening the EGM, the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting of the Company to be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC on Tuesday, 30 December 2025 at 11:00 a.m., Tuesday, 30 December 2025 at 11:30 a.m. (or immediately after the conclusion or adjournment of the EGM, whichever is later) and Tuesday, 30 December 2025 at 12:00 noon (or immediately after the conclusion or adjournment of the H Shares Shareholders Class Meeting, whichever is later) respectively, are set out on pages EGM-1, HCM-1 and DCM-1 of this circular.

Whether or not you intend to attend the Meetings, you are reminded to complete the accompanying forms of proxy in accordance with the instructions printed thereon and return the same to the Company's securities department office (in case of Domestic Shares Shareholders), at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC, or the Company's H Share registrar in Hong Kong (in case of H Shares Shareholders), Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 24 hours before the respective time fixed for holding such Meetings or any adjournment thereof. Completion and return of the said forms of proxy will not preclude you from attending and voting in person at the Meetings or at any adjourned meetings if you so wish.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following terms and expressions have the meanings as set forth below:*

“Articles of Association”	the articles of association of the Company (as amended, modified or otherwise supplemented from time to time)
“Board”	the board of Directors
“Company”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a company incorporated in the PRC with limited liability on 20 February 2008 and was converted into a joint stock limited liability company on 16 October 2012, the H Shares of which are listed on the main board of the Stock Exchange (stock code: 1799)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the Company’s share capital with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Domestic Shares Shareholder(s)”	holder(s) of the Domestic Shares
“Domestic Shares Shareholders Class Meeting”	the first domestic share shareholders class meeting of 2025 to be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC on Tuesday, 30 December 2025 at 12:00 noon (or immediately after the conclusion or adjournment of the H Shares Shareholders Class Meeting, whichever is later)
“EGM”	the fourth extraordinary general meeting of 2025 of the Company to be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC on Tuesday, 30 December 2025 at 11:00 a.m.

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## DEFINITIONS

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“H Share(s)”	overseas listed foreign share(s) in the Company’s share capital with a nominal value of RMB1.00 each, which are listed on the main board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“H Shares Shareholder(s)”	holder(s) of the H Shares
“H Shares Shareholders Class Meeting”	the first H share shareholders class meeting of 2025 to be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC on Tuesday, 30 December 2025 at 11:30 a.m. (or immediately after the conclusion or adjournment of the EGM, whichever is later)
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	2 December 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Meetings”	the EGM, the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting
“Part One of the Proposed Amendments to the Articles of Association”	the proposed amendments to the Articles of Association set out in Appendix IA (save as those to be amended pursuant to Part Two of the Proposed Amendments to the Articles of Association), the Rules of Procedure for the Board of Directors set out in Appendix IB and the Rules of Procedure for the Shareholders’ General Meeting set out in Appendix IC of this circular
“Part Two of the Proposed Amendments to the Articles of Association”	the proposed amendments to the Articles of Association set out in Appendix II of this circular

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## DEFINITIONS

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“PRC” or “China”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedure for the Board of Directors”	the Rules of Procedure for the Board of Directors of the Company, as amended, supplemented or otherwise modified from time to time
“Rules of Procedure for the Shareholders’ General Meeting”	the Rules of Procedure for the Shareholders’ General Meeting of the Company, as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisory Board”	the supervisory board of the Company
“TBEA”	TBEA Co., Ltd. (特變電工股份有限公司), a joint stock company incorporated in the PRC with limited liability on 26 February 1993 and listed on the Shanghai Stock Exchange (stock code: 600089)
“%”	per cent

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## LETTER FROM THE BOARD

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# 新特能源

**XINTE ENERGY CO., LTD.**

**新特能源股份有限公司**

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

**(Stock code: 1799)**

*Executive Directors:*

Mr. Huang Hanjie (*Chairman*)  
Mr. Yang Xiaodong  
Ms. Huang Fen  
Mr. Hu Weijun

*Non-executive Director:*

Mr. Zhang Xin

*Independent Non-executive Directors:*

Mr. Cui Xiang  
Mr. Chen Weiping  
Mr. Tam, Kwok Ming Banny

*Registered office:*

No. 2249, Zhongxin Street  
Ganquanpu Economic and  
Technological Development Zone  
(Industrial Park)  
Urumqi, Xinjiang, the PRC

*Headquarters and principal place of  
business in the PRC:*

No. 2249, Zhongxin Street  
Ganquanpu Economic and  
Technological Development Zone  
(Industrial Park)  
Urumqi, Xinjiang, the PRC

*Principal place of business in Hong Kong:*  
40th Floor, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai, Hong Kong

8 December 2025

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF DIRECTOR;  
PROPOSED ABOLISHMENT OF THE SUPERVISORY BOARD;  
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION  
AND RELEVANT RULES OF PROCEDURE;  
NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2025;  
NOTICE OF THE FIRST H SHARES SHAREHOLDERS CLASS MEETING OF 2025;  
AND  
NOTICE OF THE FIRST DOMESTIC SHARES SHAREHOLDERS  
CLASS MEETING OF 2025**

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## LETTER FROM THE BOARD

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### I. INTRODUCTION

References are made to the Company's announcement dated 24 November 2025 in relation to, among other things, the proposed appointment of a non-executive Director and the announcement dated 2 December 2025 in relation to, among other things, the proposed abolition of the Supervisory Board and the proposed amendments to the Articles of Association and relevant Rules of Procedure.

The purpose of this circular is to provide you with the relevant information about, among other things, the proposed appointment of a non-executive Director, the proposed abolition of the Supervisory Board and the proposed amendments to the Articles of Association and relevant Rules of Procedure to enable you to make an informed decision on whether to vote for or against or abstain from voting on these resolutions, to be approved by way of ordinary or special resolutions.

#### A. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated 24 November 2025 in relation to, among others, the proposed appointment of Mr. Hu Youcheng ("Mr. Hu") as a non-executive Director (the "**Proposed Appointment**"). An ordinary resolution will be proposed at the EGM to approve the Proposed Appointment.

The biography of Mr. Hu is as follows:

Mr. Hu Youcheng, aged 52, holds a doctoral degree and is a senior economist. He currently serves as a deputy general manager of TBEA, and previously served as a staff member of the manufacturing department of the Bureau of Prison Management of Xinjiang Uygur Autonomous Region, the head of general manager office, an assistant to general manager, the president of labour union of TBEA, etc.

As at the Latest Practicable Date, Mr. Hu held 940,734 shares of TBEA, representing approximately 0.02% of the total issued shares of TBEA.

Upon approval of the Proposed Appointment at the EGM, the Company will enter into a service contract with Mr. Hu and handle all other relevant matters immediately upon the effective date of his appointment. Mr. Hu's term of service shall begin from the date of approval at the EGM, until the expiration of the term of the fifth session of the Board, and his allowance standard as a Director will be determined in accordance with the allowance plan for Directors and supervisors of the Company for the year 2025 (i.e. a non-executive Director's allowance per year is RMB160,000 (before tax)).

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, save as disclosed above, Mr. Hu has confirmed that (i) he is not connected with any Director, supervisor, senior management or substantial shareholder (as defined in the Listing Rules) of the Company; (ii) he does not have any interest or short position in shares, underlying shares or debentures of the Company or any of its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong); (iii) he is not involved in any matters required to be disclosed pursuant to the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; (iv) there is no other matter in relation to the Proposed Appointment that shall be brought to the attention of the Shareholders or the Stock Exchange; and (v) he has neither held any directorships of any listed companies nor any other positions of the Company or its subsidiaries in the past three years.

### **B. PROPOSED ABOLISHMENT OF THE SUPERVISORY BOARD, AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND RELEVANT RULES OF PROCEDURE**

Reference is made to the announcement of the Company dated 2 December 2025 in relation to, amongst others, the proposed abolishment of the Supervisory Board, and the proposed amendments to the Articles of Association and relevant Rules of Procedure.

In accordance with the latest provisions of relevant laws, regulations and normative documents, such as the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) and in light of the Company's actual circumstances, the Board resolved on 2 December 2025 to propose to abolish the Supervisory Board, with the relevant powers of the Supervisory Board to be exercised by the audit committee of the Board, and to make certain consequential amendments to the Articles of Association, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Shareholders' General Meetings.

With effect from the date on which the amended Articles of Association come into effect, the supervisors of the Company shall be relieved of their duties, and the rules of procedure for the Supervisory Board shall be repealed accordingly. Prior to the approval of the Part One of the Proposed Amendments to the Articles of Association by the Shareholders, the Supervisory Board shall continue to perform their duties to safeguard the interests of the Company and all Shareholders. The supervisors of the Company, Mr. Chen Qijun, Mr. Hu Shujun, Mr. Han Shu, Mr. Guo Hao and Mr. Wang Shufeng have all confirmed that they have no disagreement with the Board and the Supervisory Board, and there is no other matter in respect of their cessation to act as supervisor that needs to be brought to the attention of Shareholders or the Stock Exchange.

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## LETTER FROM THE BOARD

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As amendments to the Articles of Association to reflect the above do not involve variation or abrogation of the rights and interests of the Domestic Shares Shareholders and H Shares Shareholders, such amendments shall only be approved by the Shareholders at the EGM.

On 17 February 2023, the State Council and the CSRC issued the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (《國務院關於廢止部分行政法規和文件的決定》) and the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) respectively (collectively, the “**New PRC Regulations**”), which were effective from 31 March 2023. Accordingly, the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) (the “**Special Regulations**”) issued by the State Council on 4 August 1994 and the Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (Zheng Wei Fa [1994] No. 21) (《到境外上市公司章程必備條款》(證委發[1994]21號文件)) issued by the State Council Securities Commission and the State Commission for Restructuring the Economic Systems on 27 August 1994 shall be repealed on the date the New PRC Regulations came into force. In view of the above New PRC Regulations, the Stock Exchange has also made consequential amendments to the Rules Governing the Listing of Securities on the Stock Exchange, which were effective 1 August 2023.

Pursuant to the New PRC Regulations, the Domestic Shares and H Shares are regarded as the same class of ordinary shares, and Domestic Shares Shareholders and H Shares Shareholders are no longer regarded as different classes of Shareholders and the substantive rights (including voting rights, dividends, and distribution of assets upon liquidation) attaching to both types of shares shall be identical. Therefore, the Board has resolved to remove the requirement for the class meeting in the Articles of Association.

The removal of the requirement for the class meeting in the Articles of Association will not jeopardise the protection of the Shareholders. As amendments to the Articles of Association to reflect the above involve variation or abrogation of the rights and interests of the Domestic Shares Shareholders and H Shares Shareholders, such amendments shall be separately approved by the Shareholders at the EGM, the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting.

The amended Articles of Association, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Shareholders’ General Meetings shall take effect from the date of approval at the EGM, and the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting (if applicable). Prior to that, the current Articles of Association, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Shareholders’ General Meetings shall remain in effect.

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## LETTER FROM THE BOARD

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Full text of the amendments to be made to Articles of Association, the Rules of Procedure for the Board of Directors and the Rules of Procedure for Shareholders' General Meetings (with deletions shown with strike-through lines and newly added provisions shown with underlines) are set out in the appendices to this circular.

### II. THE MEETINGS

The Company will convene the EGM, the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC on Tuesday, 30 December 2025 at 11:00 a.m., Tuesday, 30 December 2025 at 11:30 a.m. (or immediately after the conclusion or adjournment of the EGM, whichever is later) and Tuesday, 30 December 2025 at 12:00 noon (or immediately after the conclusion or adjournment of the H Shares Shareholders Class Meeting, whichever is later), respectively to consider and, if thought fit, to approve the matters contained in this circular. The notice of the EGM, the H Shares Shareholders Class Meeting and the Domestic Shares Shareholders Class Meeting is set out on pages EGM-1, HCM-1 and DCM-1 in this circular, respectively.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, none of the Shareholders are required to abstain from voting at the Meetings.

In order to determine the Shareholders who are eligible to attend and vote at the Meetings, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025, both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Tuesday, 30 December 2025 shall be entitled to attend and vote at the Meetings. In order for the Shareholders to qualify to attend and vote at the Meetings, all Share transfer documents accompanied by the relevant share certificates must be lodged with the Company's securities department office (in case of Domestic Shares Shareholders), No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC, or the Company's H Share registrar (in case of H Shares Shareholders), Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 22 December 2025 for registration. The record date for determining the eligibility of the Shareholders to attend and vote at the Meetings will be Tuesday, 30 December 2025.

Shareholders who intend to appoint a proxy to attend the Meetings shall complete and return the accompanying forms of proxy in accordance with the instructions printed thereon. For H Shares Shareholders, the forms of proxy should be returned to Computershare Hong Kong Investor

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## **LETTER FROM THE BOARD**

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Services Limited and for Domestic Shares Shareholders, the forms of proxy should be returned to the Company's securities department office in person or by post not less than 24 hours before the time fixed for holding the Meetings or any adjourned meetings thereof.

### **III. VOTING BY POLL AT THE MEETINGS**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders of a listed issuer at the issuer's general meeting or class meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the Meetings will, therefore, demand a poll for each resolution put to the vote at the Meetings pursuant to the Articles of Association.

On a poll, every Shareholder present in person or by proxy to attend the Meetings (or being a corporation by its duly authorized representative) shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not to use all his/her/its votes or cast all the votes he/she/its uses in the same manner.

### **IV. RECOMMENDATIONS**

The Board considers that all resolutions set out in the notices of the Meetings for Shareholders' consideration and approval are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all relevant resolutions to be proposed at the Meetings.

By order of the Board  
**Xinte Energy Co., Ltd.**  
**Huang Hanjie**  
*Chairman*

**ARTICLES OF ASSOCIATION  
OF  
XINTE ENERGY CO., LTD.**

September December 2024 2025

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**APPENDIX IA**

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**PART ONE OF THE PROPOSED AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION**

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**ARTICLES OF ASSOCIATION OF XINTE ENERGY CO., LTD.****CHAPTER 1 GENERAL**

**Article 1** These Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (the “**Company Law**”), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies, the Listing Rules of Main Board of the Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and other relevant laws and regulations in order to protect the legal interest of Xinte Energy Co., Ltd. (the “**Company**”), ~~its the shareholders and, employees and~~ creditors and standardize the organization and activities of the Company.

**Article 2** The Company was incorporated as a joint stock limited company by means of sponsorship according to the Company Law and other laws and regulations.

**Article 3** The Company was registered with and has received the business license from the Administration for Industry and Commerce of Xinjiang Uygur Autonomous Region. The Unified Social Credit Number is 9165 0000 6702 3030 76.

**Article 4** Registered name of the Company: Xinte Energy Co., Ltd.

Full name in Chinese: 新特能源股份有限公司

Abbreviation in Chinese: 新特能源

Full name in English: Xinte Energy Co., Ltd.

Abbreviation in English: Xinte Energy

**Article 5** The address of the Company: No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi  
Postal Code: 831400

**Article 6** The Company's registered capital is RMB1,430,000,000.

**Article 67** The Company is a joint stock limited company with permanent existence.

**Article 78** The Company's legal representative is the general manager of the Company.

If the general manager who serves as the legal representative resigns, he/she shall be deemed as resigning from the legal representative at the same time. In the event that the legal representative resigns, the Company shall determine a new legal representative within 30 days of the resignation.

**Article 9** 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 powers of the legal representative under the Articles of Association or by the shareholders' general meeting shall not be asserted against a bona fide counterparty.

If the legal representative causes damage to others while performing his/her duties, the Company shall bear civil liability. Upon assuming civil liability, the Company may recover compensation from the legal representative who is at fault in accordance with the law or the Articles of Association.

**Article 8-10** All of the Company's assets are divided into equal shares. ~~A~~The shareholders shall be liable for the debts of ~~to~~ the Company to the extent of the shares ~~it~~<sup>they</sup> ~~has~~<sup>have</sup> subscribed ~~to~~for, whereas the Company shall be liable for its debts with all of its ~~property~~ assets.

**Article 9-11** The Company may invest in other companies with limited liability and joint stock limited companies, to which the Company shall be liable for the company it invested to the extent of the amount of capital contribution it has made.

**Article 10-12** These Articles of Association shall become effective as of the date on which the Overseas-listed Foreign-invested Shares ("H share") are listed on ~~T~~the Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange"); the original Articles of Association of the Company shall be invalidated automatically on the effective date of these Articles of Association.

From the date on which these Articles of Association come into effect, they shall constitute a legally binding document regulating the Company's organization and activities, and the rights and obligations as between the Company and its shareholders and among the shareholders. These Articles of Association are binding on the Company, shareholders, directors, ~~supervisors~~ and senior management personnel. A shareholder may take legal action against the Company, other shareholders or directors, ~~supervisors~~, general manager and other senior management personnel of the Company and the Company may take legal action against shareholders, directors, ~~supervisors~~, general manager and other senior management personnel pursuant to these Articles of Association.

**Article 11-13** For the purpose of these Articles of Association, "other senior management personnel" refers to the deputy general manager, chief accountant, chief machinist, safety director, secretary to the Board and other persons approved at the Board meeting of the Company.

**CHAPTER 2 THE COMPANY'S OBJECTIVES AND SCOPE OF BUSINESS**

**Article 12-14** The operation objectives of the Company are: to adopt advanced and applicable polycrystalline silicon production technology, PV, wind power system integration technology; optimize the combination of capital, technology, management and marketing resource; improve our market competitiveness; and generate satisfactory economic and social benefits for our investors.

**Article 13-15** The Company's scope of business includes: general items: manufacturing of non-metallic mineral products; sales of non-metallic minerals and products; manufacturing of PV equipment and components; sales of PV equipment and components; manufacturing of electronic specialized materials; sales of electronic specialized materials; manufacturing of special ceramic products; sales of special ceramic products; manufacturing of synthetic materials (excluding hazardous chemicals); sales of synthetic materials; sales of metal matrix composite materials and ceramic matrix composite materials; sales of graphite and carbon products; processing and treatment of non-metallic waste and scrap; import and export of goods; import and export of technology; technology service, technology development, technology consultation, technology exchange, technology transfer, technology promotion; sales of machinery and equipment; sales of mechanical and electrical equipment; sales of metal materials; sales of building materials; house leasing; non-residential real estate leasing. (Except for items that need to be approved according to law, business activities can be carried out independently with business licenses according to law) approved items: installation, maintenance and testing of power transmission, supply and reception facilities; power generation business, power transmission business, power supply (distribution) business; production of hazardous chemicals; road freight transportation (excluding hazardous goods); international road freight transportation. (For items that require approval according to law, business activities can be carried out only upon approval by relevant authorities, and specific business items shall be subject to approval documents or licenses from relevant authorities).

**CHAPTER 3 SHARES****Section 1 Issue of Shares**

**Article 1416** Shares of the Company are in the form of share certificates.

~~There must, at all times, be ordinary shares in the Company. Subject to the approval of authorities authorized by the State Council, the Company may, according to its requirements, create other classes of shares. If the Company creates other classes of shares, it shall specify the order of rights entitled to these different classes of shares in any distribution by dividend or other forms. If the share capital of the Company comprises shares without right to vote, names of these~~

shares shall be added with the words “without right to vote”. If the share capital comprises shares attached with different rights to vote, names of each kind of shares (other than shares attached with the most preferential right to vote) shall be added with the words “with restricted right to vote” or “with limited right to vote”.

**Article 15-17** The issue of shares by the Company shall adhere to the principle of openness, equality and fairness. Shares of the same class shall have the same rights.

Shares issued at the same time in the same class shall be equal in price and shall be subject to the same conditions. Subscribers shall pay the same price per share for the shares they subscribe for. The price paid by any organization or individual for each share shall be the same. Any direct or indirect shareholder who has not disclosed its interest in the Company shall not exercise any power to freeze or by other means to damage any right attached to the shares.

**Article 16-18** Share certificates issued by the Company are denominated in RMB, and the nominal value for each share is RMB1.

**Article 17-19** For the shares issued by the Company, the domestic unlisted shares shall be collectively registered and deposited with the domestic securities registration and clearing institution, and the registration and settlement arrangements for H shares, etc., shall be subject to the regulations of the overseas listing venue. Subject to the approval of the securities regulatory authorities of the State Council, the Company may issue shares to Domestic Investors and Foreign Investors.

Foreign Investors referred to in the preceding paragraph mean those investors who have subscribed for the Company's shares and are residents in Hong Kong, Macau, Taiwan or other foreign countries. Domestic Investors mean those investors who have subscribed for the Company's shares and are residents in the People's Republic of China (“China”, in terms of these Articles of Association, excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan).

**Article 18-20** Shares which the Company issues to Domestic Investors and other qualified investors for subscription in RMB are called Domestic Shares. Shares which the Company issues to Foreign Investors and other qualified investors for subscription in foreign currencies are called Foreign Shares. Foreign Shares which are listed overseas are called “Overseas-listed Foreign-invested Shares”.

**Article 19-21** When established, the sponsors, shares amount, contribution means, contribution date and capital structure are as follows:

No.	Name of Shareholders	Number of Shares Subscribed ('0000)	Contribution Means	Contribution Date	Percentage of Shareholding (%)
1	TBEA Co., Ltd.	48,001.68	Capitalization of net assets	29 February 2012	84.51%
2	Xinjiang Tebian (Group) Co., Ltd.	5,753.84	Capitalization of net assets		10.13%
3	Xinjiang Honglian Venture Capital Co., Ltd.	2,561.68	Capitalization of net assets		4.51%
4	Xinjiang Far Excellence Enterprise Management Consulting Co., Ltd.	289.68	Capitalization of net assets		0.51%
5	Liu Bingcheng	193.12	Capitalization of net assets		0.34%
<b>Total</b>		<b>56,800</b>			<b>100%</b>

**Article 20—22** The Company's total share capital is 1,430,000,000 Shares, including 1,053,829,244 domestic unlisted shares (“**Domestic Shares**”), representing 73.69% of the total share capital; and 376,170,756 H Shares, representing 26.31% of the total share capital.

Shareholders of Domestic Shares of the Company who convert all or part of their unlisted domestic shares into shares listed and traded on overseas stock exchange(s) shall conform to relevant regulations promulgated by the securities regulatory authorities of the State Council, and authorize the Company to file with the securities regulatory authorities of the State Council on their behalf. They shall also comply with the regulatory procedures, provisions and requirements of the overseas securities market. The conversion of unlisted domestic shares into overseas-listed shares for trading is not subject to the holding of a general meeting or class shareholders' meeting for voting. The overseas-listed shares converted from Domestic Shares shall be of the same class as the original overseas-listed shares.

**Article 23** ~~The Company or the subsidiaries of the Company (including affiliated enterprises of the Company) shall not support persons who purchase or intend to purchase the Company's shares by donation, advance, guarantee, compensation, lending or other means. The Company or the subsidiaries of the Company shall not provide gifts, loans, guarantees or other financial aids for others to obtain the shares of the Company or its parent company, except for any implementation of employee stock ownership plans by the Company.~~

For the benefits of the Company, the Company may, upon a resolution by the shareholders' general meeting or the Board under the Articles of Association or the authorization of the shareholders' general meeting, provide financial aids for others to obtain the shares of the Company or its parent company, provided that the total accumulative amount of the financial aids shall not exceed 10% of the total issued share capital, and any resolution by the Board shall be adopted by more than two-thirds of all directors.

**Section 2 Increase, Reduction and Repurchase of Shares**

**Article 24** The Company may, based on its operating and development needs and in accordance with laws and regulations, increase its registered capital in the following ways, subject to resolutions adopted respectively by the shareholders' general meeting:

- (I) issuing shares to non-specific investors~~publicly~~;
- (II) issuing shares to specific investors~~non-publicly~~;
- (III) placing new shares to existing shareholders;
- (IV) allotting bonus shares to existing shareholders;
- (V) conversion of capital reserve into share capital;
- (VI) by other methods which are permitted by laws, administrative regulations and securities regulatory authority under the State Council.

**Article 25** The Company may reduce its registered capital. In doing so, it shall act according to the Company Law, other relevant regulations and these Articles of Association.

**Article 26** The Company ~~may~~shall, according to the provisions of the relevant laws, administrative regulations, departmental rules and the Articles of Association, under the following circumstances: not purchase its shares, except in one of the following circumstances:

- (I) to reduce registered capital of the Company;
- (II) to merge with other companies that hold shares in the Company;
- (III) to use the shares for employee stock ownership plans or equity incentives~~grant shares to employees of the Company as incentives~~;

(IV) to purchase ~~the the Company's shares held by shareholders (upon their request)~~ of its shareholders who vote against the resolution proposed in the shareholders' general meeting on the merger or division of the Company;

(V) to use the shares for conversion of corporate bonds issued by the Company that are convertible into shares;

(VI) when it is necessary for the Company to do so to safeguard its corporate value and shareholders' interests.

(V) other circumstances as permitted by laws, regulations and other relevant competent authorities.

The Company shall not engage in the trading of its shares save for the circumstances specified above.

If Where the Company purchases its shares ~~under the circumstances set out due to reasons provided in items Articles 26(I) to and (II) of the preceding paragraph of these Articles of Association, such repurchase shall be subject to resolutions adopted by the shareholders' general meeting. Where the Company purchases its shares under the circumstances set out in items (III), (V) and (VI) of the preceding paragraph, such purchase shall be subject to resolutions of the Board meeting attended by more than two-thirds of the directors in accordance with the Articles of Association or the authorization of the shareholders' general meeting.~~

Where shares of the Company are purchased in accordance with Article 26 item (I) of this Article, they shall be deregistered within 10 days from the date of purchase; where shares of the Company are repurchased in accordance with Article 26 item (II) or (IV), they shall be transferred or deregistered within six months from the date of purchase, ~~upon any purchase under items (III), (V) and (VI), such shares shall be transferred or deregistered within three years from the date of purchase, provided that shares of the Company held by itself in total shall not exceed 10% of the total number of issued shares of the Company.~~

The Company may purchase its shares through the method of open and centralized trade, or other methods authorized by laws, administrative regulations and the regulatory authority. If the Company acquires its shares under the circumstances provided in items (III), (V) and (VI) of the first paragraph of this Article, it shall be carried out by open and centralized trade.

~~Shares purchased in accordance with Article 26(III) shall not exceed 5% of the total issued shares of the Company; funds for the purchase shall be made out of the after-tax profit of the Company; the purchased shares shall be transferred to employees of the Company within one year.~~

**Article 28** The Company with the approval of the relevant competent authority may repurchase shares in one of the following ways:

- ~~(I) making an offer for the repurchase of shares in equal proportions to all its shareholders;~~
- ~~(II) repurchasing shares by means of public trading on the stock exchange;~~
- ~~(III) repurchasing shares by means of agreements outside the stock exchange;~~
- ~~(IV) by any other means which is permitted by competent authorities.~~

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

- ~~(I) where the Company repurchases shares at nominal value, payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from a new issue of shares made for that purpose;~~
- ~~(II) where the Company repurchases its shares of the Company at a premium, payment up to the nominal value may be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for that purpose. Payment of the premium shall be effected as follows:~~
  - ~~(1) if the shares being repurchased were issued at nominal value, payment shall be made out of the book balance of the distributable profits of the Company;~~
  - ~~(2) if the shares being repurchased were issued at a premium, payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds from the issue of new shares made for that purpose, provided that the amount paid out of the proceeds from issue of new shares shall not exceed the total premium received by the Company on the issue of the repurchased shares nor shall it exceed the book value of the Company's premium account (or capital accumulation reserve fund account) (including any premium on the newly issued shares) at the time of the repurchase;~~

(III) the Company shall make any payment for the following purposes out of the Company's distributable profits:

- (1) acquisition of the right to repurchase its own shares;
- (2) variation of any contract for the repurchase of its shares;
- (3) release of the Company's obligation(s) under any contract for the repurchase of shares;

(IV) after the Company's registered capital has been reduced by the aggregate nominal value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the nominal value of shares which have been repurchased shall be recorded in the Company's premium account (or capital accumulation reserve fund account).

Where the Company has the right to repurchase redeemable shares:

- (1) repurchases not made on market or by tender shall be limited to a maximum price; and
- (2) if repurchases are made by tender, tenders shall be made to all shareholders alike.

### **Section 3 Transfer of Shares**

**Article 30-27** Unless otherwise stipulated in the relevant laws, regulations or Hong Kong Stock Exchange, shares which have been fully paid up shall be free of any restriction of transfer rights. Shares in the Company shall be freely transferred in accordance with law transferable and are not subject to any lien.

All Overseas-listed Foreign-invested Shares listed in Hong Kong Stock Exchange which have been fully paid up may be freely transferred in accordance with these Articles of Association. However, unless such transfer complies with the following requirements, the board of directors may refuse to recognize any document of transfer and would not need to provide any reason therefor:

(I) payment of a fee according to the expense standard in, and not exceed the price ceiling stipulated by the Hong Kong Listing Rules from time to time shall be made to the Company for the purpose of registering the instrument of transfer and other documents that relate to, or may affect, the title to the shares;

(II) the document of transfer only relates to Overseas-listed Foreign-invested Shares listed in Hong Kong Stock Exchange;

(III) the stamp duty on the instrument of transfer payable according to laws in Hong Kong has been paid;

(VI) the relevant share certificate(s) and any other evidence which the board of directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;

(V) when shares are proposed to be transferred to joint holders, such jointly registered shareholders shall not be more than four people;

(VI) the Company does not have any lien on the relevant shares.

If the board of directors refuses to register the transfer of shares, a notice of the refusal of registration of such transfer of shares shall be issued to the transferor and the transferee within two months upon the duly submission of transfer application.

The transfer of the Overseas-listed Foreign-invested Shares listed in Hong Kong shall be effected by written instruments of transfer in an normal or ordinary form or any other form accepted by the board of directors (including standard transfer form or form of transfer specified by Hong Kong Stock Exchange from time to time); the transfer document may be signed by hand only or under seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house (hereinafter "Recognized Clearing House") or its attorney as defined by relevant rules applicable from time to time in accordance with the law of Hong Kong, the transfer form may be signed by hand or printed by machine.

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

**Article 31-28** The Company does not accept the pledging of its share certificates.

**Article 32-29** Shares of the Company held by the promoters shall not be transferred within one year from the date of the establishment of the Company. Shares issued prior to the public offering of the Company shall not be transferred within one year from the date the shares of the Company being listed on the stock exchange(s).

Directors, ~~supervisors~~ and the senior management of the Company shall report to the Company their shareholdings and changes therein and shall not transfer more than 25% of the total number of shares held by them in each year during their terms of office. The shares held by them shall not be transferred within one year from the date the shares of the Company being listed and traded on the stock exchange(s). The aforesaid person(s) shall not transfer the shares of the Company held by them within six months from the termination of their service. If the transfer restrictions in this paragraph involve H shares, the said transfer shall be subject to provisions of Hong Kong Listing Rules.

**Article 33** Any gains from sale of shares in the Company by any directors, ~~supervisors, senior management or shareholders holding 5% or more of the shares in the Company within six months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within six months after sale of the same shall belong to the Company. The Board of the Company shall forfeit such gains from the above mentioned parties. If the transfer restrictions in this paragraph involve H shares, the said transfer shall be subject to provisions of Hong Kong Listing Rules. However, if a securities company holds 5% or more of the shares by buying the remaining shares pursuant to an underwriting arrangement, the six month limitation for selling shall not apply.~~

If the Board does not act in accordance with the provisions of the above paragraph, shareholders shall be entitled to request the Board to effect the same within 30 days. If the Board fails to do so, the shareholders are entitled to take legal action at a people's court in their own names for the interests of the Company.

Where the Board of the Company does not act in accordance with the provisions of the first paragraph, the responsible directors shall assume joint liability in accordance with the law.

#### **Section 4 Financial Assistance for the Acquisition of Shares in the Company**

**Article 34** The Company and its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who acquires or intends to acquire shares of the Company. The said acquirer of shares of the Company includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Company.

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

This provision does not apply to the circumstances stated in Article 36 of these Articles of Association.

**Article 35** The financial assistance referred to in this Section includes, but not limited to the following means:

(I) gift;

(II) guarantee (including the assumption of liability or the provision of assets by the guarantor to secure the performance of obligations by the obligor), compensation (other than compensation in respect of the Company's own default), release or waive of any rights;

(III) provision of loan or entering into contract under which the obligations of the Company are to be fulfilled before the obligations of other parties, or change in the parties to, or the assignment of rights arising under such loan or agreement;

(IV) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

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

**Article 36** The following shall not be deemed to be behaviors as prohibited in Article 34:

(I) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of giving the financial assistance is not for the acquisition of shares of the Company, or the giving of the financial assistance is an incidental part of a master plan of the Company;

(II) the lawful distribution of the Company's assets by way of dividend;

(III) the allotment of bonus shares as dividends;

(IV) a reduction in registered capital, repurchase of shares or reorganization of the share capital structure of the Company effected in accordance with these Articles of Association;

(V) the lending of money by the Company within its scope of business and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company);

(VI) the provision of money by the Company for contributions to employee share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).

### Section 5 Share Certificates and Register of Shareholders

**Article 37** The shares of the Company shall be in registered form. The particulars to be set out in the share certificates of the Company shall, in addition to those required by the Company Law, include other particulars which are required to be included by the stock exchanges where the shares of the Company are listed.

As long as the H shares are listed on the Hong Kong Stock Exchange, the Company shall ensure all title documents, including H shares, of all securities listing on the Hong Kong Stock Exchange contain the below declarations. The Company shall also instruct and procure its share registrars not to register the subscription, purchase or transfer of any of its shares in the name of any particular holder unless and until such particular holder delivers to such share registrar a signed form for such shares containing the declarations below:

The subscriber of shares agrees with the Company and its shareholders, and the Company agrees with each shareholder, to observe and comply with the requirements of the Company Law, Hong Kong Listing Rules and other applicable laws, administrative regulations and the Articles of Association.

The subscriber of shares agrees with the Company and its shareholders, directors, supervisors and senior management, and the Company (for itself and on behalf of its directors, supervisors and senior management) agrees with its shareholders to refer all disputes and claims arising from the Articles of Association or any right or obligation conferred or imposed by the Company Law or other relevant laws, administrative regulations and Hong Kong Listing Rules concerning the affairs of the Company to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearing in open session and to publish its award. Such arbitration shall be final and conclusive.

The subscriber of shares agrees with the Company and its shareholders that the Company's shares are freely transferable by the holder thereof. The subscriber of shares authorizes the Company to enter into a contract on his behalf with each director and senior management whereby such director and senior management undertake to observe and comply with their obligations to shareholders stipulated in the Articles of Association.

**Article 38** The share certificates shall be signed by the Chairman. Where the stock exchange where the Company's shares are listed requires the share certificates to be signed by other senior management, the share certificates shall also be signed by such senior management. The share certificates shall take effect after being affixed, or affixed by way of printing, with the seal of the Company. The signatures of the Chairman or other relevant senior management of the Company on the share certificates may also be in printed form.

Where power is granted to issue warrants to bearer, no new warrant shall be issued to replace the one that has been lost, unless the Company is satisfied without reasonable doubt that the original has been destroyed.

**Article 39** The Company shall keep a register of shareholders, which shall contain the following particulars:

- (I) the name, address (domicile), occupation or nature of each shareholder;
- (II) the class and number of shares held by each shareholder;
- (III) the amount paid or payable in respect of shares held by each shareholder;
- (IV) the serial numbers of the shares held by each shareholder;
- (V) the date on which a person registers as a shareholder;
- (VI) the date on which a person ceases to be a shareholder.

**Article 40** The register of shareholders shall be the sufficient evidence for the shareholders' shareholding in the Company, except in cases with contrary evidence.

A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is entered in to the register of shareholders. A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and numbers of shares he/she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

Providing that the laws of the registration place and listing place are fully complied with, when two (2) or more persons are registered as joint holders of any shares, they shall be deemed to be joint owners of such shares and subject to constraints of the following terms:

(I) the Company should not register more than four persons as joint holders for any share;

(II) all the joint holders of any shares shall jointly assume the liability to pay for all amounts payable for the relevant shares;

(III) if one of the joint holders has deceased, only the surviving joint holders shall be deemed by the Company to be such persons as having the ownership of the relevant shares. But the Board shall have the right, for the purpose of making amendments to the register of shareholders, to demand a death certificate of such shareholder where it deems appropriate to do so;

(IV) in case of any joint holders of shares, only the joint holder whose name appears first in the register of members is entitled to receive the share certificates of the relevant shares or the Company's notices, and to attend a shareholders' general meeting of the Company and exercise all voting rights of such shares thereat. Any notice served to that person shall be taken as having been served to all joint holders of the relevant shares.

**Article 41** The Company may, in accordance with mutual understanding and agreements made between the securities competent authority under the State Council and overseas securities regulatory authority, maintain the register of shareholders of Overseas-listed Foreign-invested Shares at overseas territory and entrust overseas agent(s) for management. The original register of shareholders of H shares shall be maintained in Hong Kong. The Company shall maintain a duplicate of the register of shareholders of Overseas-listed Foreign-invested Shares at the Company's domicile; the overseas agent(s) entrusted shall ensure the consistency between the original and the duplicate of the register of shareholders of Overseas-listed Foreign-invested Shares at all times.

If there is any inconsistency between the original and the duplicate of the register of shareholders of Overseas-listed Foreign-invested Shares, the original version shall prevail.

**Article 42** The Company shall keep a complete register of members. The register of members shall include the following:

(I) the register of members maintained at the Company's domicile other than those parts as described in Item (II) and (III) of this Article;

(II) the register of members in respect of Overseas-listed Foreign-invested Shares of the Company maintained at the place where the overseas stock exchange on which the shares are listed is located;

(III) the register of members maintained at such other place as the Board may consider necessary for the purpose of listing of the Company's shares.

**Article 43** Different parts of the register of members shall not overlap with one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of members.

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

**Article 44** Where laws, administrative regulations, departmental rules, normative documents and requirements of relevant stock exchange(s) or regulatory authorities where shares of the Company are listed contain provisions which stipulate the period when share registration and transfer shall be closed prior to a general meeting or the record date set by the Company for the purpose of distribution of dividends, such requirements shall prevail.

**Article 45** When the Company intends to convene a shareholders' general meeting, distribute dividends, liquidate and engage in other activities that involve the determination of shareholdings, the Board shall decide on the date for the determination of shareholdings. Shareholders whose names appear on the register of members at the end of such date are deemed to be shareholders of the Company.

**Article 46** Any person who objects to the register of members and requests to have his/her name entered into or removed from the register of members may apply to a competent court for rectification of the register.

**Article 47** Any shareholder who is registered in, or any person who requests to have his/her name entered in, the register of members may, if his/her share certificate (the “original certificate”) is lost, apply to the Company for a replacement of new share certificate in respect of such shares (the “relevant shares”).

If a shareholder of Domestic Shares loses his/her share certificate and applies to the Company for a replacement, such application shall be dealt with in accordance with the relevant provisions of the Company Law. If a shareholder of Overseas-listed Foreign-invested Shares loses his/her share certificate and applies to the Company for a replacement, such application may be dealt with in accordance with the laws, rules of the stock exchange or other relevant provisions of the place where the original register of members for Overseas-listed Foreign-invested Shares is maintained. The issue of replacement share certificates to holders of Overseas-listed Foreign-invested Shares of a company to be listed in Hong Kong who have lost their share certificates and applied for replacement shall comply with the following requirements:

- (I) The applicant shall submit an application to the Company in the prescribed standardized form accompanied by a notarial certificate or statutory declaration document, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.
- (II) No statement has been received by the Company from a person other than the applicant for having his name registered as a holder of the relevant shares before the Company comes to a decision to issue the replacement share certificate.
- (III) The Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the Board. The announcement shall be made at least once every 30 days in a period of 90 days.
- (IV) The Company shall, prior to the publication of its announcement of intention to issue a new share certificate, deliver to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a reply from such stock exchange confirming that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of 90 days.

In case an application to issue a replacement share certificate has been made without the consent of the registered shareholder of the relevant shares, the Company shall send by other means specified in these Articles of Association, or by post to such registered shareholder a copy of the announcement to be published.

(V) If, upon expiration of the 90-day period for the exhibition of an announcement referred to in Item (III) and (IV) of this Article, the Company has not received from any person any objection to the issuance of the replacement share certificate, the Company may issue the replacement share certificate to the applicant according to his application.

(VI) Where the Company issues replacement share certificate under this Article, it shall forthwith cancel the original share certificate and enter the particulars relating to the cancellation and replacement in the register of members.

(VII) All expenses relating to the cancellation of original share certificate and the issue of replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.

**Article 48** Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registered as the owner of such shares (in case that he/she is a bona fide purchaser) shall not be removed from the register of members.

**Article 49** The Company shall not be liable for any damage sustained by any person by reason of the cancellation of the original share certificate or the issuance of the replacement, unless the person concerned is able to prove that the Company has acted fraudulently.

## CHAPTER 4 SHAREHOLDERS AND THE SHAREHOLDERS' GENERAL MEETING

### Section 1 Shareholders

**Article 30** The Company shall establish a register of shareholders in accordance with the evidence provided by the securities registration authority. The register of shareholders shall be the sufficient evidence for the shareholders' shareholding in the Company.

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

**Article 50** Article 31 Where the Company convenes a shareholders' general meeting, distributes dividends, liquidates and carries out other activities which would require the confirmation of the shareholdings, the convener of the Board meetings or the shareholders' general meetings shall decide the record date. Upon the close of such date, the shareholders who remain on the register shall enjoy the relevant rights. The Company shall establish a register of shareholders in accordance with the laws, and the register of shareholders shall be conclusive evidence of the holding of shares of the Company by a shareholder. A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class of shares held. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

**Article 51** 32 Holder of shares of the Company shall enjoy the following rights:

- (I) to receive dividends and other forms of distributions of benefits in proportion to their shareholdings;
- (II) to request, convene, preside over, attend or appoint a proxy to attend the shareholders' general meeting according to the law, and exercise the corresponding voting right;
- (III) to supervise the operation of the Company, and to make proposals or enquiries in relation thereto;
- (IV) to transfer, donate or pledge shares in accordance with laws and administrative regulations and the provisions of these Articles of Association;
- (V) to receive information in accordance with provisions of these Articles of Association in Hong Kong, including:
  - (1) these Articles of Association upon payment of the cost thereof;
  - (2) upon payment of reasonable charges, be entitled to inspect and copy:
    - 1. all of the register of shareholders;
    - 2. personal particulars of the directors, supervisors and senior management of the Company, including:
      - (a) present and former names and aliases;

(b) principal address (residence);

(e) nationality;

(d) full-time occupation and all other part-time occupations or positions;

(e) identification document and the number thereof.

(3) a report showing the status of the issued share capital of the Company;

(4) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose; the latest audited Financial Statements of the Company;

(5) the latest audited Financial Statements and the Directors', Auditors' and Supervisors' Reports of the Company;

(6) Stubs of corporate bonds, minutes of general meetings, which will only be available for inspection by the shareholders, special resolutions of general meetings, minutes of Board meetings, minutes of Board of Supervisors meetings;

(7) copy of the latest annual return submitted to China's State Administration for Industry and Commerce or other competent authorities to inspect and duplicate the Articles of Association, register of shareholders, the minutes of shareholders' general meetings, resolutions of the Board meetings and the financial accounting reports. Eligible shareholders may inspect the Company's accounting books and vouchers;

(VI) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in proportion to the number of shares held;

(VII) to acquire shares held by shareholders who vote against the resolution proposed in the shareholders' general meeting on the merger or division of the Company upon their request;

(VIII) other rights conferred by laws, administrative regulations, departmental rules and these Articles of Association.

**Article 52** **Article 33** When a shareholder requests to inspect or duplicate the relevant material of the Company, he/she shall comply with the provisions of the Company Law and other laws and administrative regulations. ~~When shareholders request to inspect the relevant information or to obtain materials as mentioned in the preceding Article they shall provide the Company with written proof in relation to the class and number of shares of the Company held by them. The Company shall satisfy such requests upon verification of their identities as shareholders.~~

**Article 53-34** If a resolution passed at a shareholders' general meeting or Board meeting of the Company violates the laws or administrative regulations, the shareholders shall have the right to submit a petition to a people's court to render the same as invalid.

Where the procedures for convening or the means of voting at a shareholders' general meeting or Board meeting violate the laws, administrative regulations or these Articles of Association, or the contents of a resolution violate these Articles of Association, shareholders shall be entitled to submit a petition to a people's court to rescind such resolutions within 60 days from the date on which such resolution is made. However, it does not apply if such procedures for shareholders' general meeting and the Board meetings or the method of voting at such meetings have only minor flaws that have no substantial impact on the resolution.

Any shareholder who fails to be notified to attend the shareholders' general meeting may, within 60 days as of the day when it knows or ought to know that the resolution of the shareholders' meeting is made, request the People's Court to revoke the resolution. If the right of revocation is not exercised within one year as of the date when the resolution is made, it shall be relinquished.

**Article 35** A resolution of the shareholders' general meeting or of the Board shall be deemed invalid under any of the following circumstances:

(1) the resolution was made without convening a shareholders' general meeting or a Board meeting;

(2) no voting on the resolution was made at the shareholders' general meeting or the Board meeting;

(3) the number of attendees or the voting rights held did not meet the requirements stipulated by the Company Law or the Articles of Association;

(4) the number of voters or votes in favor of the resolution did not meet the requirements stipulated by the Company Law or the Articles of Association.

**Article 54-36** Shareholders individually or jointly holding 1% or more of the Company's shares for 180 consecutive days or more shall have the right to request the audit committee~~Board of Supervisors~~ in writing to bring a legal action in the People's Court against any director or senior management other than the members of the audit committee for loss of Company resulting from their violation of any laws, administrative regulations or provisions of these Articles of Association in the course of performing their duties; the abovementioned shareholders may request the board of directors in writing to bring a legal action against the members of the audit committee~~the Board of Supervisors~~ for the loss of the Company resulting from their violation of any laws, administrative regulations or provisions of these Articles of Association in the course of performing the duties.

The shareholders described in the preceding paragraph may bring legal action in the People's Court directly in their own names in the interest of the Company in the event that the audit committee~~Board of Supervisors~~ or the board of directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholders, or fails to initiate such legal proceedings within 30 days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the Company's interest.

Shareholders as referred to in the first paragraph of this article may also initiate legal proceedings in the People's Court under the provisions set out in the preceding two paragraphs if any third parties infringe on the lawful interests of the Company which caused damage to the Company.

**Article 55-37** Shareholders may initiate legal proceedings against any director or senior management for violation of any laws, administrative regulations or the provisions of these Articles of Association which has damaged the interests of shareholders.

**Article 56-38** Shareholders of the Company shall perform the following obligations:

(I) to abide by laws, administrative regulations and these Articles of Association;

(II) to pay share capital according to the number of shares subscribed and the method of subscription;

(III) not to withdraw the shares unless required by the laws and regulations;

(IV) not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company;

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

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

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

**Article 57** ~~Where a shareholder holding 5% or more of voting shares of the Company pledges any shares in his possession, he shall report the same to the Company in writing on the day on which he pledges his shares.~~

**Article 58** ~~The controlling shareholders and beneficial controller of the Company shall not exploit their connected relationship with the Company to harm the interests of the Company. In the case of having violated such provision and caused damage to the company, they shall be liable for compensation.~~

**Article 39** ~~Shareholders of the Company who abuse their shareholder's rights and thereby cause loss on the Company or other shareholders shall be liable for indemnity according to the law. Where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company. The controlling shareholders of the Company and de facto controllers of the Company shall have fiduciary duties towards the Company and other shareholders of the Company. The controlling shareholders shall exercise their rights as investors strictly in accordance with the laws and shall not make use of profit distribution, assets restructuring, external investment, use of capital, loan and guarantee, etc., which may be prejudicial to the lawful rights of the Company and other shareholders. The controlling shareholders shall not use their privileged position to cause damage to the interests of the Company and other shareholders.~~

~~Save for the obligations required under the laws, administrative regulations or the Listing Rules of a stock exchange on which the shares of the Company are listed, in exercising its rights as a shareholder, a controlling shareholder shall not exercise his/her voting rights to make the following decisions which would prejudice the interests of all or part of the shareholders:~~

(I) to exempt the directors or supervisors from the obligation to act in good faith in the best interests of the Company;

(II) to authorise the directors or supervisors (in the interests of himself/herself or other persons) to deprive the Company in any manner of its properties, including but not limited to any opportunities beneficial to the Company;

(III) to authorise the directors or supervisors (in the interests of himself/herself or other persons) to deprive the personal rights of other shareholders, including but not limited to any entitlement to distribution or voting rights but excluding a reorganization of the Company submitted to and passed at a shareholders' general meeting pursuant to these Articles of Association.

## **Section 2 General Provisions on the Shareholders' General Meeting**

**Article 5940** The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the organ of authority of a company, which exercises the following functions and powers:

(I) to determine the business policies and investment plans of the Company;

(II) to appoint and replace directors, ~~supervisors~~ who are not employee representative and to decide on matters relating to the remuneration of directors, ~~supervisors~~;

(III) to consider and approve the report of the board of directors;

(IV) to consider and approve the report of the Board of Supervisors;

(V) to consider and approve the annual financial budgets and final accounts of the Company;

(VI) to consider and approve the plans for profit distribution and making up of losses of the Company;

(VII) to adopt resolutions relating to increase or reduction in the registered capital of the Company;

(VIII) to adopt resolutions on matters such as merger, division, dissolution, liquidation or change of nature of the Company;

(VII~~X~~) to adopt resolutions on the issue of corporate debentures ~~by the Company~~;

(VII~~X~~) to amend these Articles of Association;

(VIII~~XI~~) to adopt resolutions on the appointment, dismissal of the accounting firm of the Company;

(IX~~X~~~~XI~~) to consider and approve the provisions of guarantee which are required in these Articles of Association;

(XX~~XII~~~~XIII~~~~XIV~~) to consider and approve the purchase and sale of major assets or the provision of guarantees exceeding 50 million or the value amount of which accumulated exceeds 1030% of the total assets of the Company within one year as shown in the latest audited financial statements of the Company;

(XI~~XIV~~) to consider and approve the change of the use of proceeds from fund raising;

(XII~~XV~~) to consider and approve the equity incentive scheme and the employee stock ownership plan;

(XVI) to consider and approve any motion put forward by shareholders representing in aggregate 3% or more of the voting rights of the Company;

(XIII~~XVII~~) to consider and approve on other matters which, according to laws, administrative regulations, regulations of the authorities, listing rules of the stock exchange in which the shares of the company are listed or these Articles of Association, need to be approved by shareholders in shareholders' general meetings.

**Article 60-41 Shareholders' General meetings** can be divided into regular shareholders' general meetings (i.e. annual general meeting ("AGM")) and extraordinary general meeting ("EGM"). AGM~~Annual general meetings~~ shall be held within six months after the end of the last accounting year, and the meeting shall be held on yearly basis.

**Article 61-42** The Company shall convene an EGM within two months after the occurrence of any one of the following events:

(I) when the number of directors is less than the quorum prescribed by the Company Law or less than two-thirds of the quorum required by the Articles of Association;

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- (II) when the unrecovered loss of the Company is higher than one-third of the total paid-up capital;
- (III) when shareholders individually or collectively holding 10% or more of the shares of the Company make a written request;
- (IV) when the Board consider it necessary;
- (V) when the audit committee ~~Board of Supervisors~~ proposes to convene an extraordinary meeting; proposes to convene the same;
- (VI) Other circumstances stipulated by laws, administrative regulations and regulations of authorities or these Articles of Association.

**Article 62-43** The place for holding the Company's shareholders' general meeting shall be the registered office of the Company or other place as determined by the Board.

The shareholders' general meeting shall be held in the form of on-site meeting. The Company will also provide internet services or other methods such as communication means to help the shareholders to participate in the shareholders' general meeting. Shareholders shall be deemed to have attended the shareholders' general meeting by way of the aforesaid methods.

**Article 63-44** The Company shall engage lawyers to attend the shareholders' general meeting and issue a legal opinion on the following issues:

- (I) whether the procedures relating to the convening and the holding of such meeting comply with laws, administrative regulations and these Articles of Association;
- (II) the legality and validity of the qualifications of the attendees and the convenor of the meeting;
- (III) the legality and validity of the voting procedures and voting results;
- (IV) legal opinions issued on other related matters as requested by the Company.

### **Section 3 Convening of the Shareholders' General Meeting**

**Article 64-45** The shareholders' general meeting shall be convened by the board of directors and ~~shall be presided over by the chairman of the board of directors.~~

**Article 65-46** The independent non-executive director has the right to propose the Board to convene extraordinary general meeting and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

If the Board agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. If the Board does not agree to convene such extraordinary general meeting, reasons shall be explained.

**Article 66-47** The audit committee ~~Board of Supervisors~~ has the right to propose the Board to convene extraordinary general meeting and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, and these Articles of Association.

If the Board agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. Should there be alterations to the original requests in the notice, consent has to be obtained from the audit committee~~Board of Supervisors~~.

If the Board does not agree to convene the extraordinary general meeting or does not reply within ten days upon receiving the request, the Board will be considered as unable or refused to fulfill the obligation to convene shareholders' general meetings and the audit committee ~~Board of Supervisors~~ may convene and preside over the meeting on its own initiative.

**Article 67-48** A shareholder holding, or shareholders holding in aggregate, 10% or more of the shares of the Company shall have the right to propose the Board to convene extraordinary general meetings and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, and these Articles of Association.

If the Board agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.

If the Board does not agree to convene the extraordinary general meeting or does not reply within ten days upon receiving the request, a shareholder holding, or shareholders holding in aggregate, 10% or more of the shares of the Company shall have the right to propose the Board of Supervisorsaudit committee to convene an extraordinary general meeting by way of written request(s).

If the audit committeeBoard of Supervisors agrees to convene the extraordinary general meeting, the notice of convening the extraordinary general meeting shall be issued within five days upon receiving the request. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.

If the audit committeeBoard of Supervisors does not issue notice of the shareholders' general meeting within the specified period, it will be considered as not going to convene and preside over the shareholders' general meeting, and shareholders individually or jointly holding 10% or more of the shares of the Company for 90 or more consecutive days shall have the right to convene and preside over the meeting on their own initiative.

**Article 68** If shareholders want to convene an extraordinary general meeting or class shareholders' meeting, the following procedure should be followed:

(I) Two or more shareholders jointly holding 10% or more of the shares with voting right of the meeting to be held can sign one or several written request with the same form content, and to propose the Board to convene an extraordinary general meeting or class shareholders' meeting, and illuminate the issues of the meeting. Upon receiving the above-mentioned written request, the Board shall convene an extraordinary general meeting or class shareholders' meeting as soon as possible. Above-mentioned number of shares shall be calculated according to the date of written request made by shareholders.

(II) If the Board fails to issue the notice to convene the meeting within 30 days after receiving above-mentioned written notice, the shareholders who made the request can call the meeting by themselves four months after the Board receiving their request. The procedure of calling the meeting shall be the same as the procedure for the Board to call a general meeting, to the largest extent.

If the meeting is called by shareholders as a result of the Board's failure to hold the meeting in accordance with above-mentioned requirements, reasonable expenses incurred shall be borne by the Company and deducted from the payments owned by the Company to negligent directors.

**Article 69-49** The audit committee~~Board of Supervisors~~ or shareholders shall notify the Board in writing if they decide to convene the shareholders' general meeting on their own initiative.

The shareholder(s) convening the shareholders' general meeting must hold no less than 10% of shares in the Company before the resolution of such meeting is announced.

**Article 70-50** With regard to the shareholders' general meeting convened by the audit committee~~Board of Supervisors~~ or shareholders on their own initiative, the Board and the secretary to the Board shall provide assistance.

**Article 571** With regard to the shareholders' general meeting convened by the audit committee~~Board of Supervisors~~ or shareholders on their own initiative, the necessary expenses incurred in relation to the meeting shall be assumed by the Company.

#### **Section 4 Proposals and Notices of the Shareholders' General Meeting**

**Article 572** The content of such proposals shall be within the scope of the terms of reference of a shareholders' general meeting, and contains specific subjects and concrete matters for approval, and in accordance with the requirements of laws, administrative regulations and relevant requirements in these Articles of Association. A proposal to a shareholders' general meeting must be submitted or delivered in writing to the Board.

**Article 573** When the Company holds a shareholders' general meeting, the Board, the ~~Board of Supervisors~~audit committee and shareholders who individually or jointly hold 13% or more of the shares of the Company are entitled to put forward a proposal to the Company.

Shareholders individually or jointly holding 13% or more of the shares of the Company can put forward a temporary proposal ten days before the shareholders' general meeting is held and submit the proposal to the convener of the meeting. The convener shall issue a supplemental notice within two days upon receiving such proposals and notify shareholders of the temporary proposals, and submit the same to the shareholders' general meeting for consideration. Unless the provisional proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the shareholders' general meeting.

Except for the circumstances prescribed in the preceding paragraph, the convener shall not change the proposals in the notice of the shareholders' general meeting or add new proposals after sending the notice of the shareholders' general meeting.

The shareholders' general meeting shall not vote or resolve on proposals not contained in the notice of the shareholders' general meeting or not in compliance with Article 72 of these Articles of Association.

**Article 574** When the Company convenes an annual shareholders' general meeting, a notice shall be given 21 days before the date of the meeting; when the Company convenes an extraordinary general meeting, a notice shall be given 15 days before the date of the meeting. The notice shall notify all ~~registered~~ the shareholders of the ~~matters to be considered at such meeting, the date and the place of the general meeting~~ by means of public announcement.

When calculating the starting date of the aforesaid periods, the date of such announcement and the date of the meeting shall be excluded.

**Article 575** Extraordinary general meeting shall not decide matters that are not set out in the notice.

**Article 576** The notice of a shareholders' general meeting shall satisfy the following requirements:

(I) It shall be made in written form;

(II) It shall specify the time, location and time limit of the meeting;

(III) It shall set out the items and proposals to be reviewed at the meeting;

(IV) It shall provide data and explanation needed by shareholders to make wise decisions for items to be discussed; this principle includes (but not limited to) specific conditions and contracts (if any) of proposed trade made by the Company to merger, repurchase of shares, reorganization of shares capital or other reorganizations; serious explanation for the causes and consequences shall be made;

(V) If any director, supervisor, general manager and other senior management personnel has important interests with the items to be discussed, the nature and extent of the interests shall be disclosed. If the items to be discussed have different influence over that directors, supervisors, general manager and other senior management personnel as shareholders as compared with shareholders of other classes, the differences shall be explained;

(VI) It shall set out the full text of the special resolution proposed at the meeting for approval;

(IVVII) It shall specify with clear note: all shareholders are entitled to participate in the shareholders' general meeting and authorize proxy in written form to attend the meeting and vote. Proxy of the shareholder does not have to be a shareholder of the Company;

(V) It shall set out the record date of shareholders entitled to attend the shareholders' general meeting;

(VIIVIII) It shall set out the time and place of the delivery of power of attorney;

(VIIIX) It shall set out the names and telephone numbers of the contact persons ~~of~~in connection with the shareholders' general meeting.

**Article 77** The notice of general meeting shall be sent to shareholders (whether the shareholders are entitled to vote in general meeting or not) by any means permitted by the stock exchange(s) where shares of the Company are listed (including, but not limited to, by specially assigned personnel, prepaid mail, email, facsimile, announcement or publish on the website of the Company or the stock exchange(s) on which the shares of the Company are listed). If sent by mail, the address of the recipient shall be based on the registered address in register of shareholders. For shareholders of Domestic Shares, the notice of general meeting can also be made by means of public announcement.

**Article 78** If the persons entitled to receive the notice are not notified due to negligence, or such persons have not received the notice for the meeting, the meeting and resolutions made at the meeting will not be invalidated.

**Article 79** In case the general meeting plans to discuss the election of directors and supervisors, the notice of the general meeting shall fully disclose the detailed information about the candidates for directors or supervisors, including at least the following particulars:

(I) personal particulars such as educational background, work experience and other concurrent engagements;

(II) whether there is any connected relationship with the Company or the controlling shareholders and de facto controller of the Company;

(III) the number of shares held in the Company;

(IV) whether one has been punished or reprimanded by relevant department;

~~(V) information about the newly appointed, re-elected or transferred Directors or Supervisors that needs to be disclosed according to the Hong Kong Listing Rules.~~

~~Unless a director or supervisor is elected via the cumulative voting system, each candidate for director or supervisor shall be proposed via a single proposal.~~

**Article 5780**—After issuing a notice of shareholders' general meeting, the shareholders' general meeting shall not be delayed or canceled without justified reasons, and proposals listed in the notice shall not be called off. Once delay or cancellation occurs, the convener shall make announcement and explanation at least two working days before the original convening date.

### Section 5 Holding of the Shareholders' General Meeting

**Article 581**—The Board or any other convener shall take necessary measures to ensure the proper order of the shareholders' general meeting. The Board or any other convener shall take measures to stop any act disturbing the shareholders' general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.

**Article 5982**—All shareholders or their proxies whose names are set out in the register of members on the record date are entitled to attend the shareholders' general meeting and exercise their voting rights according to relative laws, regulations and these Articles of Association.

Shareholders may either attend the shareholders' general meetings in person or appoint their proxies to attend and vote instead of them.

**Article 83-60** An individual shareholder who attends the shareholders' general meeting in person shall produce his identification documents or other valid document or certificate which can prove his identity; Where a proxy is appointed to attend the meeting, the proxy shall produce his own identification documents and the proxy form.

Corporate shareholder should attend the meeting by its legal representatives or the proxy appointed by the legal representative. Legal representative who attends the meeting should produce his own identity card, valid certificates evidencing his capacity as a legal representative. While appointing proxy to attend the meeting, the proxy should produce his identity card and a written authorisation instrument produced by its legal representative of the shareholder representative.

If the shareholder is a recognized clearing house (or agent thereof) as defined in the relevant ordinance as enacted from time to time of Hong Kong, the said shareholder may authorize one or more persons as he deems appropriate to act on his behalf at any shareholders' general meetings or class shareholders' meetings; however, one or more persons are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons, The power of attorney shall be signed by an authorised person of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its agent) to attend the meeting and exercise its right as if the persons are individual shareholders of the Company, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/she/they has/have been duly authorised.

**Article 84** Any shareholder who has the right to attend general meeting and the right to vote can entrust one or more than one persons (whether such person is a shareholder or not) as his proxy to attend general meeting and to vote. The proxy has the right to exercise the following rights with the authorization of the shareholder:

(I) the right to speak as shareholders in the general meeting;

(II) the right to make the request on one's own or together with others to vote by poll;

(III) unless otherwise stipulated by relevant laws, administrative regulations and relevant stipulations of securities supervision institution where the Company's shares are listed, the voting right can be exercised by raising hands or casting votes. But when more than one proxy has been appointed, the proxies only have the right to vote by poll.

**Article 6185** A shareholder shall appoint the proxy in written form. The proxy letter issued by a shareholder to entrust a proxy to attend shareholders' general meeting shall contain the following:

(I) the name or title of the shareholder, the class and quantity of shares held in the Company, the name of the proxy;

(II) voting right of the proxy specific instructions from the shareholders, including instructions to vote for, against or abstain from voting on each and every issue included in the agenda of the shareholders' general meeting;

(III) the instructions to vote in favor of, vote against each deliberation contained in the general meeting agenda or abstain from voting respectively;

(IV)(III) date and effective period of the proxy letter;

(V)(IV) consignor's signature (or chop). If the consignor is the legal person Shareholder, the document shall be stamped with the corporate seal.

**Article 86** The proxy letter shall specify that in the absence of instructions from the shareholder, the proxy may vote as he/she thinks fit.

**Article 6287** The power of attorney shall be placed at the domicile of the Company or other place specified in the notice of the meeting at least 24 hours before the relevant meeting of the voting for the power of attorney starts or 24 hours before the set time of voting. If the power of attorney is sign by other personnel authorized by consignor, the power of attorney or other authorization documents should be certified by a notary. The certificate of authorization or other authorization documents certified by a notary, together with the power of attorney appointing the proxy shall be placed at the domicile of the Company or other location specified in the notice of the meeting. Where the relevant stock exchange(s) where shares of the Company are listed or regulatory authorities provide otherwise, such provisions shall prevail.

~~If the consignor is a legal person, the legal representative or any person authorized by resolutions of the Board or other decision-making institutions can attend the general meeting on behalf of the consignor.~~

**Article 6388** The format of power of attorney appointing the proxy sent to shareholders by directors of the Company shall enable shareholders to freely instruct the authorized agent to vote for, against or abstain from voting, and separate instructions being given in respect of each matter to be voted at the meeting. If there is no instruction from the shareholders, the power of attorney shall specify that shareholder's proxy can vote according to his own will.

**Article 6489** If the consigner has deceased, has been incapacitated, has withdrew the signed authorization or relevant shares has been transferred before the start of the voting in the meeting, as long as the Company has not received the written notice in respect of such matters before the beginning of the meeting, the vote made by the shareholder's proxy according to the power of attorney is still valid.

**Article 6590** The meeting attendance lists shall be prepared by the Company. The register of names is to be set out, participants' (or entities) names, identity card numbers, ~~addresses~~, shares held or represented carrying voting rights, the appointer's (or entities) names, etc.

**Article 6691**—The convener and the legal advisers retained by the Company shall verify the legal eligibility of the shareholders based on the register of shareholders provided by the foreign agency and shall register the name of the shareholders together with the numbers of shares with voting rights in their possession. Before the chairman of the meeting declares the number of shareholders and proxies present at the meeting as well as the total number of shares with voting rights in their possession, registration for the meeting shall be ended.

**Article 6792**—In convening a shareholders' general meeting, all directors, supervisors and the secretary to the Board of the Company shall attend the meeting in person while the general manager and other senior management shall attend the meeting as non-voting participants.

**Article 6893**—Shareholders' gGeneral meeting shall be presided over by the chairman of the Board. Should the chairman is unable or fails to perform his duties, the meeting shall be presided over by a director elected by half or more members of the Board. If directors elected by half or more members of the Board fail to convene and preside over the general meeting, the general meeting shall be chaired by a shareholder co-elected by the shareholders attending the meeting. If the shareholder cannot chair the meeting due to any reason, the shareholder (or his proxy) present at the meeting who holds the highest number of voting rights shall chair the meeting.

The shareholders' general meeting convened by the Board of Supervisorsaudit committee shall be presided over by the chairmanconvener of the audit committeeBoard of Supervisors. If the convenerchairman of the audit committeeBoard of Supervisors cannot perform or fails to perform its duties, a member of the audit committeesupervisor shall be jointly elected by half or more of the supervisors members of the audit committee to chair the meeting.

Shareholder(s) may convene the meeting themselves and the convener or a representative nominated by the convener(s)him/her shall preside over the meeting.

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

**Article 694**—The Company shall formulate rules of procedure for the shareholders' general meetings defining the convening and voting procedures of the shareholders' general meetings, covering notification, registration, consideration of proposal, voting, counting of ballots, announcement of voting result, formation of resolution, meeting minutes and signing thereof, and

the principle and contents of authorization of the Board on the shareholders' general meetings. The rules of procedures for the shareholders' general meeting are appendix to the Articles of Association and shall be formulated by the Board and approved on the shareholders' general meetings.

**Article 7095**—The Board ~~and the Board of Supervisors~~ shall report ~~their~~ its work in the preceding year at the annual shareholders' general meeting. ~~Every independent non-executive director shall also make his work reports.~~

**Article 7196**—Directors, ~~supervisors~~ and the senior management should respond and explain to the enquiries and advices of shareholders at the shareholders' general meeting.

**Article 972**—Chairman of the meeting should announce the number of shareholders and proxies present at the venue of the meeting and the total shares held by them with voting rights, and the number of shareholders and proxies present at the venue of meeting and the shares held by them with voting rights shall be the number recorded by the meeting.

**Article 7398**—The shareholders' general meetings shall have minutes, which shall be recorded by the secretary of the Board. The minutes of the meeting shall specify:

- (I) the date, venue and agenda of the meeting, and the name of the convener;
- (II) the names of the presider, and the directors, ~~supervisors~~, general manager and other senior management attending or present at the meeting;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the proportion of these shares to the total number of shares of the Company;
- (IV) the process of discussion in respect of each proposal, highlights of speeches and the voting result;
- (V) details of inquiries or suggestions of the shareholders, and the corresponding response or explanations;
- (VI) the names of the lawyer, counting officer and monitoring officer;
- (VII) other contents that shall be recorded in the minutes in accordance with these Articles of Association.

**Article 7499**—The convener shall ensure the meeting minutes are true, accurate and complete. The attending directors, ~~supervisors~~, secretary to the Board, convener or representative thereof, and chairman of the meeting shall sign the minutes of the meeting. The minutes of the meeting shall be kept for at least ten years together with the book of signatures of the shareholders present, the power of attorney of the attending proxies, votes and other valid information.

**Article 75100**—The convener shall ensure the shareholders' general meeting is held continuously until final resolutions are arrived at. If the shareholders' general meeting is terminated or fails to reach any resolution due to force majeure or for other special reasons, immediate action shall be taken to resume the shareholders' general meeting as soon as possible or directly terminate the shareholders' general meeting.

#### Section 6 Voting and Resolutions of the Shareholders' General Meeting

**Article 76101**—Resolutions of shareholders' general meeting can be divided into ordinary resolutions and special resolutions.

An ordinary resolution of a shareholders' general meeting can only be approved with half or more of the votes of shareholders (including their proxies) who participate in the meeting.

A special resolution of a shareholders' general meeting can only be approved with two-thirds or more of the votes of shareholders (including their proxies) who participate in the meeting.

**Article 77102**—The following issues shall be approved by ordinary resolutions at a shareholders' general meeting:

- (I) work reports of the Board ~~and the Board of Supervisors~~;
- (II) profit distribution plan and plan for making up losses prepared by the Board;
- (III) appointment and removal of the members of the Board ~~and the Board of Supervisors~~, their remunerations and the method of payment thereof;
- (IV) ~~annual budget report, final accounting report, balance sheet, income statement and other financial statements of the Company~~;

~~(V)(IV)~~ others issues apart from those should be approved by special resolutions in accordance with the requirements of laws, administrative regulations, listing rules of the stock exchange in which the shares of the company are listed or provisions of these Articles of Association.

**Article 78103**—The following issues shall be approved by special resolution at a shareholders' general meeting:

(I) increasing or reducing share capital of the Company, ~~and issuing shares of any class, warrants and other similar securities;~~

~~(II) the issuance of corporate bonds;~~

~~(III)(II) division, merger, dissolution and liquidation of the Company;~~

~~(IV)(III) amendment of these Articles of Association;~~

~~(V)(IV) the equity incentive scheme;~~

~~(V) purchase or disposal of material assets or provision of guarantee to other parties by the Company within a year exceeding 30% of the Company's latest audited total assets;~~

(VI) other important issues prescribed in laws, administrative regulations or these Articles of Association and considered by the shareholders' general meeting by means of ordinary resolution to be significantly influential to the Company and shall be approved by means of special resolution.

**Article 79104**—Shareholders (including their proxies) shall exercise voting power with the number of voting shares represented by them, and each share has one vote.

The Company's shares held by the Company do not have voting right, and such shares are not counted in the total number of shares that have voting power upon attendance at a shareholders' general meeting.

The Board, independent non-executive directors and shareholders conforming to relevant prescribed conditions can call for Shareholders' voting rights.

**Article 80105** For connected transactions to be considered at a shareholders' general meeting, connected shareholders shall abstain from voting on such connected transactions, and the number of shares they represent carrying voting rights shall not be counted into the total number of shares with valid voting rights; the meeting minutes on resolutions passed at the shareholders' general meeting shall fully disclose the voting of non-connected shareholders on the transactions.

**Article 106** ~~Subject to the legality and validity of the general meeting, the Company shall provide convenience for the public shareholders' participation in the general meeting through various viable means.~~

**Article 8107** Without a prior approval by way of special resolution is obtained in a shareholders' general meeting, the Company shall not enter into any contract with any person other than the directors, general managers and other senior management whereby the management and administration of the whole or any substantial part of the business of the Company is to be handed over to such person, save for special circumstances such as the Company is in a crisis.

**Article 1082** List of candidate directors ~~and supervisors~~ shall be submitted in the form of proposals to the shareholders' general meeting for vote.

When voting on the election of directors ~~and supervisors~~, the shareholders' general meeting may implement accumulative voting system according to these Articles of Association or the resolution of the shareholder's general meeting.

Accumulative voting system referred in the preceding paragraph means a system whereby each share, at voting to elect directors ~~or supervisors~~ at a shareholders' general meeting, carries the number of voting rights equivalent to the number of the directors ~~or supervisors~~ to be elected, and a shareholder may concentrate his or her voting rights. The Board shall make public to the shareholders the resume and general information of directors ~~and supervisors~~ to be elected.

Methods and procedures to nominate directors ~~or supervisors~~ are as follows:

(I) Director candidates shall be proposed by the Board within the number of candidates as set out in these Articles of Association, and shall be presented to the shareholders' general meeting for election after approved by the Board; ~~supervisors candidates who represent the Shareholders shall be proposed by the Board of Supervisors and shall be presented to the general meeting for election after approved by the Board.~~

(II) Shareholders individually or jointly holding 3% or more of the total issued shares with voting right for 180 or more consecutive days of the Company may propose candidates for directors ~~or supervisors who represent the shareholders~~ to the Board, but the number of persons nominated shall comply with the provisions of the Articles of Association and shall not exceed the number of persons proposed to be elected.

(III) An independent non-executive director candidate may be nominated by the Board, ~~the Board of Supervisors~~, or shareholders separately or jointly holding 1% or more of the shares of the Company for 90 or more consecutive days, but the number of candidates proposed by such shareholders must comply with the provisions of these Articles of Association, and must not exceed the number of people to be selected. The party nominating any independent non-executive director candidate shall have obtained the nominee's consent prior to the nomination, and shall be fully aware of such particulars of the nominee such as his occupation, academic qualification, title, detailed work experience and information regarding all his part-time positions held concurrently and be responsible for providing to the Company his opinions in relation to the nominee's qualification as an independent non-executive director and independence. The nominee shall make a public announcement stating that there exists no relation between the Company and him that may affect his independent and objective judgment.

**Article 83109**—Apart from the cumulative voting system, the ~~shareholders'~~ general meeting will vote on all resolutions individually. If one matter has different resolutions, they will be voted in the chronological order of the proposals being proposed. Except under special circumstances such as force majeure, leading to the suspension or inability to make resolutions at the ~~shareholders'~~ general meeting, the ~~shareholders'~~ general meeting shall not set aside the resolutions and leave the resolutions undecided.

**Article 84110**—No amendment shall be made on the proposals during its consideration at a ~~shareholders'~~ general meeting. Any such amendments to a proposal shall be deemed as a new proposal and shall not be voted at the current ~~shareholders'~~ general meeting.

**Article 85111**—At a general meeting, a resolution shall be decided on a show of hands unless a poll is demanded before or after a vote is carried out by a show of hands: (I) by the chairman of the meeting; (II) by at least two shareholders or by proxies who are entitled to vote at the meeting; (III) by one or more shareholders (including their proxies) separately or jointly representing 10% or more of all shares carrying the right to vote at the meeting. Unless a poll is demanded, a declaration by the chairman that a resolution has been passed on a show of hands and the recording of such in the minutes of meeting shall be conclusive evidence of the fact that such resolution has been passed. There is no need to provide evidence of the number or proportion of

~~votes in favour of or against voting in such resolution. The demand for a poll may be withdrawn by the person who demands the same.~~ Voting at the shareholders' general meeting shall be carried out with open ballot.

~~If a poll is demanded to elect a chairman, or to adjourn the meeting, it shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman of the meeting directs, and any other business 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.~~

~~On a poll taken at a meeting, a shareholder (including his/her proxy) who shall be entitled to two or more votes need not cast all his votes in favour of or against the resolution.~~

~~In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall have a casting vote.~~

**Article 86112** Two representatives of shareholders shall be elected to participate in counting and scrutinizing ballots before a shareholders' general meeting puts a proposal to vote. Where a shareholder has conflict of interests to matters to be considered, relevant shareholders and their proxies must not participate in counting and scrutinizing ballots.

**Article 87113** When a proposal is voted at a shareholders' general meeting, lawyers and shareholders' representatives and supervisors shall be responsible for counting and scrutinizing ballots and announce the voting results on the spot, which will be recorded in the minutes of the meeting.

**Article 88114** The presider of the meeting shall announce the voting results on each proposal and whether the proposal is adopted based on the voting results.

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

**Article 89115** Shareholders attending the shareholders' general meeting shall submit their voting in the following ways: "for", "against" or "abstain".

Ballot papers that are left in blank, unduly completed or illegible or that have not been used, are deemed as void votes to mean that the voter has waived his/her rights, and the voting results corresponding to the shares in their possession shall be treated as “Abstain from voting”.

Where any shareholder is, under the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only in favor of (or only against) any particular resolution, any votes cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted.

**Article 90116** If the chairman of the meeting has any doubt as to the result of a resolution which has been put to vote, he may have the votes counted. If the chairman of the meeting has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the chairman of the meeting may, immediately after the declaration of the result, demand that the votes be counted and the chairman of the meeting shall have the votes counted immediately.

**Article 9117** ~~If votes are counted at a general meeting, the result of the count of the shareholders' general meeting~~ shall be recorded in the minutes. The minutes of meetings shall be kept at the Company's place of residence together with the shareholders' attendance lists and proxy forms for the Company's records.

**Article 1118** ~~Copies of the minutes of meeting shall, during business hours of the Company, be open for inspection by any shareholder without charge. If a shareholder requests a copy of such minutes from the Company, the Company shall send a copy of such minutes to him/her within seven days after receipt of reasonable fees.~~

**Article 1192** Any resolution of the shareholders' general meeting shall indicate the number of shareholders and proxies present at the meeting, the total number of voting shares they hold and its proportion to the total voting shares of the Company, the means of voting, the voting results of each proposal as well as the details of each resolution adopted.

**Article 93120** In the event a proposal is not adopted, or the shareholders' general meeting makes any modification to any resolution adopted at the previous shareholders' general meeting, a specific indication shall be made in the minutes of resolutions of the shareholders' general meeting.

**Article 94121** Where any proposal on the election of directors ~~or supervisors~~ is adopted at the shareholders' general meeting, new directors ~~or supervisors~~ shall take their posts at the time of the close shareholders' general meeting.

**Article 95122**—Should a shareholders' general meeting pass proposals regarding cash distribution, bonus issue or transfer of surplus reserve into share capital, the specific proposals shall be implemented within two months after the close of the shareholders' general meeting.

### **Section 7 Special Procedures for Voting by Class Shareholders**

**Article 96123**—Those shareholders who hold different classes of shares are class shareholders. Class shareholders shall enjoy rights and assume obligations in accordance with laws, administrative regulations and these Articles of Association.

**Article 97124**—Rights conferred on class shareholders may not be varied or cancelled save with the approval of a special resolution in a shareholders' general meeting and by affected holders of shares of that class at a separate meeting conducted in accordance with Articles 99126 to 1303 hereof.

**Article 98125**—The following circumstances shall be deemed to be variation or cancellation of the rights attaching to a particular class of shares:

- (I) to increase or decrease the number of shares of that class, or to increase or decrease the number of shares of a class having equal or better voting, distribution or other rights to those of shares of that class;
- (II) to exchange all or part of the shares of that class for shares of another class or to exchange or to create a right to exchange all or part of the shares of another class for shares of that class;
- (III) to remove or reduce rights to accrued dividends or to cumulative dividends attaching to shares of that class;
- (IV) to reduce or remove preferential rights attaching to shares of that class to receive dividends or to the distribution of assets in the event that the Company is liquidated;
- (V) to add, remove or reduce conversion privileges, options, voting rights, transfer or pre-emptive rights, or rights to acquire securities of the Company attaching to shares of that class;
- (VI) to remove or reduce rights to receive payment from the Company in specific currencies attaching to shares of that class;

(VII) to create a new class of shares having equal or better voting, distribution rights or other privileges to those of the shares of that class;

(VIII) to impose or increase restrictions on the transfer or ownership of shares of that class;

(IX) to issue rights to subscribe for, or to convert the existing shares into, shares in the Company of that class or another class;

(X) to increase the rights or privileges of shares of another class;

(XI) to restructure the Company in such a way so as to result in the disproportionate distribution of obligations between the various classes of shareholders;

(XII) to vary or abrogate the provisions of this Section.

**Article 99126**—Affected class shareholders, whether or not otherwise having the right to vote at shareholders' general meetings, have the right to vote at class shareholders' meetings in respect of matters concerning sub-paragraphs (II) to (VIII), (XI) and (XII) of Article 42598 hereof, but interested shareholder(s) shall not be entitled to vote at such class shareholders' meetings.

Interested shareholder(s) means:

(I) in the case of a repurchase of shares by way of a general offer to all shareholders of the Company or by way of an on-market repurchase pursuant to Article 268, an interested shareholder is a controlling shareholder within the meaning of Article 250199;

(II) in the case of a repurchase of shares by an off-market agreement pursuant to the Article 268 hereof, a holder of the shares to which the proposed agreement relates;

(III) in the case of a restructuring of the Company, a shareholder who assumes a relatively lower proportion of obligations than the obligations imposed on other shareholders of the same class or who has an interest different from the interests of other shareholders of that class.

**Article 10027**—Resolutions of a class shareholders' meeting shall only be passed by votes representing two-thirds or more of the voting rights of shareholders of that class presented at the relevant meeting who, according to Article 99126, are entitled to vote.

**Article 10128**—Notice of a class shareholders' meeting shall be given to all shareholders who are registered as holders of that class in the register of shareholders in accordance with the notice period requirement of an annual and extraordinary general meeting as stipulated in Article 574 of the Articles of Association. Such notice shall give such shareholders notice of the matters to be considered at such meeting, the date and the place of the class shareholders' meeting.

**Article 1029**—Notice of class shareholders' meetings need only be served on shareholders entitled to vote at the meetings. Class shareholders' meetings shall be conducted in the same manner as shareholders' general meetings, to the extent possible. The provisions of these Articles of Association relating to the manner for the conduct of the shareholders' general meetings are also applicable to class shareholders' meeting.

**Article 1303**—Apart from the holders of other classes of shares, the holders of the Domestic Shares and holders of Overseas-listed Foreign-invested Shares shall be deemed to be holders of different classes of shares.

The special procedures for approval by a class of shareholders shall not apply in the following circumstances:

(I) where the Company issues, upon the approval by special resolution in a shareholders' general meeting, either separately or concurrently once every 12 months, no more than 20% of each of its outstanding Domestic Shares and Overseas-listed Foreign-invested Shares;

(II) where the Company's plan to issue Domestic Shares and Overseas-listed Foreign-invested Shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authorities under the State Council;

(III) where the shares held by shareholders of Domestic Shares of the Company become foreign shares and listed for trading in the overseas stock exchange with the approval of the securities regulatory authorities under the State Council.

## **CHAPTER 5 BOARD OF DIRECTORS**

### **Section 1 Directors**

**Article 10431**—Directors of the Company shall be natural persons and they shall not be in any of the circumstances under the Company Law in which they are disqualified from acting as a director of the Company. Directors are not required to hold any shares in the Company.

The election, appointment or engagement of directors shall be invalid if the election or appointment violates the requirements of these Articles of Association. The Company shall remove a director if he violates any of the circumstances stated in Article 10685 ~~applies~~ during his term of office.

**Article 10532** Directors shall be elected or changed at the shareholders' general meeting and each has a term of three years. Upon the expiry of the term of office of a director, the term is renewable upon re-election. The term of office of any independent director may not be renewed for more than six years. Prior to the maturity of his/her term, a director shall not be removed without reason from his/her office by a shareholders' general meeting.

The term of office of a director shall commence from the date of appointment until the expiry of the current session of the board of directors. If the term of office of a director expires but re-election is not made, the original directors shall continue to perform their duties in accordance with the laws, administrative regulations, departmental rules and the provisions of these Articles of Association until a new director is elected and assumes office. Subject to such exceptions specified in the Articles of Association as the Hong Kong Stock Exchange may approve, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he/she or any of his/her associates have a material interest nor shall he be counted in the quorum present at the meeting.

Directors may concurrently serve as general manager or other senior management, provided that the total number of directors who concurrently serve as general manager or other senior management, directors served by employees' representatives shall not exceed half of the total number of the Company's directors.

Representative of employees of the Company is eligible to be elected as a member of the board of directors, the employee representatives are elected from employees' general meeting, employee representatives' meeting, labor union or by other democratic manner join directly into the Board.

**Article 10633** The directors are required to comply with the laws, administrative regulations and these Articles of Association, and to carry out their following duties in good faith and diligence:

(I) not to make use of their powers to accept bribes or other unlawful income and appropriate the Company's properties;

(II) not to misappropriate the Company's funds;

(III) not to deposit the Company's assets or funds into accounts under their own names or the name of other individuals;

(IV) not to lend the Company's funds to others or provide guarantees in favor of others with the Company properties as collaterals in violation of these Articles of Association or without the approval of the shareholders' general meeting or board of directors;

(V) not to enter into contracts or dealing with the Company in violation of these Articles of Association or without prior approval of shareholders' general meeting;

(VI) not to make use of their positions to procure business opportunities for themselves or others that shall have otherwise been available to the Company, or operate for their own benefit or managing on behalf of others businesses similar to those of the Company without approval of the shareholders' general meeting;

(VII) not to accept for their own benefits commission in any deal with the Company;

(VIII) not to divulge without authorization confidential information of the Company;

(IX) not to take advantage of their connected relationship to prejudice the interests of the Company;

(X) to perform other fiduciary duties specified in the laws, administrative regulations, departmental rules and the Articles of Association.

Income generated by directors in violation of this Article shall be of the benefit of the Company. A director who incurs any loss to the Company shall be liable to the Company for compensation.

**Article 10734**-The directors shall comply with the laws, administrative regulations and these Articles of Association, and shall owe the following diligent duties to the Company:

(I) exercising the rights conferred by the Company prudentially, carefully and diligently to ensure that commercial operations of the Company are conform with the laws, administrative regulations and various requirements of economic policies, and that commercial activities of the Company shall not exceed the scope of business specified in the business license;

(II) treating all of the shareholders equally;

(III) understanding the Company's business operation and management in a timely manner;

(IV) providing relevant facts and information truthfully to the ~~Board of Supervisors~~<sup>audit committee</sup>, and not hindering the ~~audit committee~~<sup>Board of Supervisors</sup> or the ~~supervisors~~ from exercising their authorities;

(V) other diligent duties specified in the laws, administrative regulations, department rules and the Articles of Association.

**Article 10835**—If a director fails to attend the meetings of the board of directors in person or fails to appoint any other director to attend on his/her behalf as his/her proxy for two consecutive times, he/she shall be deemed to be unable to perform his/her duties, and the board of directors shall propose to the shareholders' general meeting to dismiss him.

**Article 10936**—A director may resign prior to the expiry of his/her term of service. When a director intends to resign, he/her shall submit a written resignation to the board of directors.

If the number of directors is less than the minimum number of directors required by law due to the resignation of a director, then such director shall continue to perform his/her duties in accordance with the laws, administrative regulations, department rules and these Articles of Association until a new director is elected and assumes his/her office.

Except the aforesaid circumstances, the resignation of a director shall become effective when the report of resignation is served to the board of directors.

Any director appointed by the Board to fill a casual vacancy or as an addition to the Board should expire at the next general meeting and he/she is eligible for re-election.

Where not otherwise provided by law, the Company in shareholders' general meeting shall have power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his/her term of office.

~~The minimum length of period during which the notice of the intention to propose a person for election as director and the written notice by such candidate of his willingness to accept the nomination shall be given to the Company no less than seven days. The period for lodgment of the aforesaid notice(s) shall commence no earlier than the date after the dispatch of the notice of the meeting appointed for such election and end no later than seven days before the date of such general meeting.~~

**Article 11037** Directors shall complete all the handover procedures to the board of directors upon resignation or expiry of their term of office. The obligations of fidelity to the Company and shareholders shall not automatically discharge with the expiry of their terms of office and should survive after the expiry of their terms of office within one year.

**Article 11138** A director may not act personally on behalf of the Company or the board of directors unless otherwise provided by these Articles of Association or legal authorization is granted by the board of directors. If such director acts personally and the third party may believe such director is acting on behalf of the Company or the board of directors, he/she shall declare his/her own position and identity in advance.

**Article 11239** Directors who are in breach of laws, administrative regulations, department rules or these Articles of Association in the course of performing their duties shall be liable to compensate the Company for any loss so caused.

This Article shall concurrently apply to the general manager and senior management of the company.

**Article 140** ~~The independent non-executive directors shall carry out responsibilities in accordance with relevant requirements of the laws, administrative regulations and department rules.~~

**Article 141** ~~The Company shall conclude written contracts with each director and senior management, and such contracts shall include at least the following provisions:~~

~~(I) directors or senior management warrant to the Company that they will observe the Company Law, the Hong Kong Listing Rules, these Articles of Association and other provisions established by the Hong Kong Stock Exchange, and agree that the Company will enjoy the remedial actions set forth under these Articles of Association, and that such contract and its position shall not be transferred;~~

~~(II) directors or senior management warrant to the Company that they will observe and perform their responsibilities owed to the shareholders specified in these Articles of Association; and~~

~~(III) the arbitration article contained in Article 263 of these Articles of Association.~~

**Section 2 Board of Directors**

**Article 113**~~142~~ The Board of the Company shall be established to report to the shareholders' general meeting.

**Article 114**~~143~~ The Board shall consist of nine directors and one chairman, among which three are independent non-executive directors.

**Article 115**~~44~~ The board of directors shall be accountable to the shareholders' general meeting and shall have the following duties and powers:

(I) convening the shareholders' general meetings and presenting reports thereto;

(II) implementing the resolutions made at the shareholders' general meetings;

(III) determining the Company's business and investment plans;

~~(IV) working out the Company's annual financial budget plans and final account plans;~~

~~(V)~~(IV) working out the Company's profit distribution plans and loss recovery plans;

~~(VI)~~(V) working out the Company's plans on the increase or reduction of registered capital, as well as on the issuance of shares, bonds or other securities and listing plans;

~~(VII)~~(VI) formulating proposals for material acquisitions, purchase of shares of the Company, merger, split-up, dissolution and change of the Company nature;

~~(VIII)~~(VII) deciding on external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc. of the Company within the scope authorized by the shareholders' general meeting;

~~(IX)~~(VIII) deciding on the establishment of the Company's internal management departments;

~~(X)~~(IX) deciding on the appointment or dismissal of general manager and the Board secretary of the Company; decide on the appointment or dismissal of the Board secretary and deputy general manager, chief accountant and other senior management personnel according to the nomination of Chairman of the Board and the general manager, respectively as well as their remuneration and incentives;

~~(XI)~~(X) formulating the Company's basic management system;

~~(XII)~~(XI) formulating the plan for modification of these Articles of Association;

~~(XIII)~~(XII) proposing the employment or replacement of the accounting firm which audits the Company's accounts to the shareholders' general meeting;

~~(XIV)~~(XIII) hearing the general manager's work report and check the general manager's work;

~~(XV)~~ checking any major transaction, very material disposal, very material acquisition and anti-acquisition action of the Company under the Hong Kong Listing Rules, and report to the general meeting for approval;

~~(XVI)~~ approving any transaction under the Hong Kong Listing Rules except those major transactions, very material disposal, very material acquisitions and anti-acquisition actions which must be published;

~~(XVII)~~ approving the connected transactions without the approval or announcement at the general meeting and under the Hong Kong Listing Rules;

~~(XVIII)~~ approving the connected transactions requiring the approval at the general meeting under the Hong Kong Listing Rules;

~~(XIX)~~(XIV) exercising other powers regulated in laws, regulations and the listing rules of the stock exchange where the Company's shares are listed and conferred by the shareholders' general meeting and these Articles of Association.

**Article 145** The board of directors shall also be responsible for the followings:

**Article 116** The Board of Directors of the Company shall establish four special committees, namely the audit committee, the Nomination Committee, the Remuneration and Assessment Committee and the Strategic Committee. The special committees shall be accountable to the Board of Directors and shall be composed of directors only. The Board of Directors shall be responsible for formulating the rules of procedure for the special committees and regulating their operation.

The audit committee of the Company shall exercise the functions and powers of the Supervisory Board as required by the Company Law. ~~(I) implementing, reviewing and improving the corporate governance system and condition of the Company;~~

(II) reviewing and supervising the training and continuing professional development of directors and senior management;

(III) reviewing and supervising the compliance of the Company's policies with laws and relevant regulations of the securities regulatory authority where the shares are listed and making the relevant disclosure;

(IV) formulating, reviewing and supervising the code of conduct and relevant compliance manual of employees and directors.

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

**Article 117~~146~~**—The Board of the Company shall explain to the shareholders' general meeting any non-standard audit opinions issued by the certified public accountants on the Company's financial report.

**Article 118~~147~~**—The Board shall formulate the rules of procedures of the Board in order to ensure the Board to implement resolutions approved at the shareholders' general meeting of shareholders, to improve working efficiency, and to ensure scientific decision-making. ~~The rules of procedure of the Board shall set out holding and voting procedures of the Board meeting. The rules of procedure of the Board shall be included in the Company's Articles of Association or as attached to the Company's Articles of Association, which shall be drawn up by the Board and approved by the shareholders' general meeting.~~

**Article 119~~148~~**—The Board shall determine the right relating to external investment, acquisition and disposal of assets, asset mortgage, external guarantees, consigned financial management and connected transactions, and shall establish strict examination and decision making procedure; and organize relevant experts and professionals to make assessments on material investment projects and submit them to the shareholders' general meeting for approval.

The power of examination and approval of investment, guarantee, borrowing and other material events of the Company as follow:

(I) investment (including equity interest investment to other company, enterprise and other legal person, but excluding establishment branch company)

(1) an individual investment amount reaching to or exceeding 10% of the latest audited net assets of the Company shall be subject to the consideration and approval of the shareholders' general meeting of the Company;

(2) an individual investment amount less than 10% of the latest audited net assets of the Company shall be subject to the consideration and approval of the Board of the Company;

(3) for the individual investment amount which is not amounted to 2% of the latest audited net asset of the Company, it will be considered and decided by the chairman, general manager and other senior management of the Company.

**(II) Guarantee**

The following external guarantees provided by the Company shall be submitted to the shareholders' general meeting for approval after the consideration and approval by the Board:

(1) provision of a single guarantee the amount of which exceeds 10% of the latest audited net assets of the Company;

(2) any provision of guarantee, where the total amount of external guarantees provided by the Company and its controlled subsidiaries exceeds 50% of the latest audited net assets of the Company;

(3) provision of guarantee to anyone whose liability-asset ratio exceeds 70%;

(4) guarantee fund exceeding 30% of the latest audited total assets of the Company for a consecutive period of twelve months;

(5) guarantee fund exceeding 50% of the latest audited net assets of the Company and with an absolute amount of more than RMB30 million;

(6) provision of guarantee to shareholders, de facto controllers and their connected parties;

(7) other guarantee conditions as stipulated under the Articles of Association.

When a guarantee is raised for consideration and discussion at a board meeting, it shall be considered and approved by at least two-thirds of the directors attending the board meeting. The guarantee of connected person(s) should be regulated by the Hong Kong Listing Rules concurrently.

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

### (III) Borrowings

The Company may borrow from financial institutions or other persons due to its operation requirements.

(1) loan in an individual borrowing amount exceeding RMB50 million and the asset- liability ratio of the Company exceeding 65% (including 65%) shall be subject to the consideration and approval of the Board.

(2) loan in an individual borrowing amount not exceeding RMB50 million and the asset-liability ratio of the Company less than 65% shall be subject to the approval of the general manager of the Company.

The Company shall not provide loan to other company or enterprise, but may provide loan to its controlled subsidiaries in the manner as permitted by the law and regulation.

Aforementioned individual borrowing amount refer to the borrowing amount, credit line and maximum amount in a single borrowing contract, the general credit contract and maximum loan contract.

~~The review and approval permissions of the Company to dispose of any fixed assets set out as follow:~~

~~In respect of disposal of fixed assets, the Board of Directors shall not, without prior approval of shareholders in a general 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 general meeting. A Disposal of fixed assets 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 the Article.~~

**Article 12049**—The chairman shall be elected by more than half of all directors.

**Article 12150**—The chairman of the board of directors shall perform the following duties and powers:

(I) to preside over the shareholders' general meetings and to convene and preside over board meetings;

(II) to supervise and check the implementation of resolutions of Board;

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

**Article 12251**—If the chairman is unable or fails to perform his/her duties, a director shall be elected jointly by half or more of all directors to perform such duties.

**Article 12352**—The Board shall hold at least four regular meetings every year, which shall be convened by the chairman, with the notice of meeting sent in writing to all the directors and supervisors ten days in advance.

The writing notice referred in this Article shall include served by hand, post, facsimile and email etc.

**Article 12453**—Extraordinary board meetings may be convened upon proposal by shareholders representing at least one-tenth of the total voting rights, by at least one-third of the Board or audit committee—Board of Supervisors. The chairman shall convene and preside over a board meeting within ten days after receipt of the proposal.

**Article 12554**—The notice on convening a provisional board meeting can be served by hand, post, facsimile, email and telephone; and shall be sent at least one to five days prior to the convening of an interim meeting of the Board.

However, upon unanimous agreement by all the directors, time of the notice on convening a provisional board meeting for any emergency shall not be subject to the aforesaid Article.

**Article 12655**—Notice of board meeting shall include:

(I) time and venue of the meeting;

(II) duration of the meeting;

(III) reasons for and agenda of the meeting;

(IV) the date of issue of such notice.

**Article 12756**—No board meeting shall be held unless more than half of the directors are present. Otherwise provided for in these Articles of Association, resolutions made by the board of directors must be approved by a majority of all the directors.

For the voting on a resolution of the Board, each director shall have one vote only. ~~If pres and cons are equal, the chairman shall be entitled to an additional vote.~~

**Article 12857**—If any director has connection with the enterprise or matter involved in the resolution made at a board meeting, the said director shall not vote on the said resolution for himself or on behalf of other director. The said board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution of the board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the board meeting is less than three, the matter shall be submitted to the shareholders' general meeting for consideration.

**Article 12958**—Resolutions of the board meetings shall be voted by a registered poll.

The extraordinary board meetings may be held and the resolution may be voted by videoconference, teleconference, facsimile on the basis that directors' opinions can be expressed adequately and shall be signed by directors attending the meeting.

**Article 13059**—The directors shall attend the board meeting in person; in the event that directors are unable to attend the meeting for some reason, the directors may appoint in writing other directors to attend the board meetings. The proxy letter shall specify the proxy's name, authorized matters, scope of authorization and the valid term, and shall be affixed with the signature or seal of the principal. The director who attends the meeting on behalf of another director shall exercise the right of the director within the scope of authorization. If any director fails to attend the meeting of the board of directors or authorize a proxy to be present on his/her behalf, such director shall be deemed to have waived his voting rights at that meeting.

**Article 13160**—Matters determined in a board meeting shall be recorded in minutes of meetings. Minutes of meetings shall be signed by directors attending such meetings. Directors attending the meeting shall have the right to request to record in the minutes details of the speech made by them at the meeting.

Directors shall be liable for board resolutions. If a board resolution is against the law, administrative rules or these Articles of Association and resolutions of the shareholders' general meetings, which causes the Company to suffer any loss, the directors who participate in voting shall assume the liability to compensate the Company; directors who have been proved as having expressed dissenting opinions on the resolution during the voting as recorded in the minutes of meeting shall be exempted from liability.

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

**Article 13261**—The minutes of the Board meeting shall include the following:

- (I) date and place of the meeting and the name of the convener;
- (II) names of the directors attending the meeting and names of the directors (proxies) appointed by others to attend the board meeting;
- (III) agenda of the meeting;
- (IV) main points of the speeches of the directors;
- (V) method and results of the voting for each proposal (the voting results shall state the numbers of votes for or against the proposal or abstention).

## **CHAPTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT**

**Article 13362**—The Company shall have one general manager, who shall be appointed or dismissed by the board of directors.

The Company shall appoint certain deputy general managers, one chief accountant, one secretary of the Board, one chief safety director and one chief machinist according to the requirements of the Company, and senior management shall be appointed and dismissed by the Board. The Board shall engage in other senior management as necessary. The circumstances hereof with respect to disqualified directors of the Company are applicable to senior management of the Company.

**Article 13463**—The Company's general manager, deputy general manager, chief accountant, the secretary of the Board, chief machinist, chief safety director and other senior management employed by the Board as necessary are the senior management officers of the Company.

**Article 13564**—The circumstances hereof with respect to disqualified directors of the Company are applicable to senior management of the Company.

Requirements hereof with respect to the directors' obligations of integrity and diligence shall also be applicable to the senior management.

**Article 13665**—The controlling shareholders of the Company and actual controllers who hold positions other than directors shall not serve as a member of the Company's senior management.

**Article 13766**—The term of the general manager is usually three years; the general manager may serve consecutive terms if reappointed.

**Article 13867**—The general manager is accountable to the Board and exercises the duties below:

(I) to take charge of the production operations and management tasks and organize the implementation of the Board's resolution, and to report his/her work to the Board;

(II) to organize the implementation of the Company's annual operating plan and investment plan;

(III) to devise the set-up of the Company's internal management structure;

(IV) to devise the basic management policy of the Company;

(V) to formulate the basic rules of the Company;

(VI) to propose the appointment or dismissal of the deputy general manager, chief accountant, chief machinist, chief safety director and other senior management;

(VII) to appoint or dismiss management personnel, aside from those requiring the Board in approving their appointment or dismissal;

(VIII) to sign documents related to the operation of the Company as the legal representative of the Company;

(IX) other duties as granted by the Company's Articles of Association and the Board.

General manager shall attend board meetings.

**Article 13968**—The general manager shall formulate detailed working rules for the manager and submit the same to the Board for approval and, upon such approval, implement such rules.

**Article 14069**—The detailed working rules formulated for the manager shall include the following:

(I) conditions and procedures for convening and participants of the general manager's meetings;

(II) specific duties of the general manager and other senior management;

(III) the use of funds and assets of the Company, authority to enter into material contracts and systems for reporting to the Board ~~and Board of Supervisors~~;

(IV) other matters as deemed necessary by the Board.

**Article 14170**—The general manager may resign prior to the expiration of his/her term of office. The detailed procedures for the general manager's resignation shall set out in the service contract entered into between the general manager and the Company.

**Article 14271**—The Company shall have a secretary to the Board. The office of the secretary of 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 of the Board are:

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

(II) to ensure the Company prepares and delivers such reports and documents as required by competent authorities in compliance with laws;

(III) to ensure the Company's registers of shareholders are properly maintained, and that persons entitled to access to the relevant records and documents are furnished with such records and documents without delay;

**Article 172**—~~A director or other senior management of the Company may concurrently serve 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/she shall not do the act in his double capacities.

**Article 1473** The senior management shall be liable for any losses caused to the Company by their breach of any law, administrative regulations, department rules or these Articles of Association in performing their duties.

## CHAPTER 7 BOARD OF SUPERVISORS

### Section 1 Supervisors

**Article 174** Circumstances prohibiting any person serving as a director as stipulated in these Articles of Association shall be applicable to supervisors.

The directors, general manager and other senior management shall not act as supervisors concurrently.

**Article 175** The Company shall conclude written contracts with each supervisor, and such contracts shall include at least the following provisions:

(I) the supervisors undertake to the Company that they will abide by the Company Law, Hong Kong Listing Rules, these Articles of Association and other provisions established by the Hong Kong Stock Exchange, and agrees that the Company will enjoy the remedial actions set forth under these Articles of Association, and that such contract and its position shall not be transferred; (II) supervisor undertakes to the Company that he or she will abide by and perform their responsibilities owed to the shareholders specified in these Articles of Association; and (III) the arbitration article contained in Article 263 of these Articles of Association.

**Article 176** Supervisors shall abide by the laws, administrative regulations and these Articles of Association, owe fiduciary duties and due diligence duties to the Company. They shall not use the authority to take bribes or solicit other illegal incomes, and never encroach upon the Company property.

**Article 177** The term of office of a supervisor shall be three years. A supervisor may take another term if he/she is re-elected after the expiration of his/her term.

**Article 178** If the re-election is not conducted in time after the term of a supervisor expires or the resignation of the supervisor causes the members of the Board of Supervisors to fall short of the quorum, the supervisor shall still perform the supervisor's duty in line with the laws, administrative regulations and these Articles of Association until the new supervisor takes office.

**Article 179** Supervisors may attend the board meeting as non-voting participants, and question or make recommendations on the resolutions to be passed by the Board.

**Article 180** Supervisors shall not use their connections to prejudice the interest of the Company. If any loss is thus incurred by the Company, they shall be held liable.

**Article 181** If a supervisor violates the laws, administrative regulations, department rules or these Articles of Association in the performance of their duties in the Company and incurs a loss to the Company, he/she shall be held liable.

## Section 2 Board of Supervisors

**Article 182** The Company shall have a Board of Supervisors. The Board of Supervisors shall consist of five Supervisors and one chairman. The appointment and dismissal of the chairman shall be voted and adopted by more than two-thirds (including two-thirds) of the members of the Board of Supervisors.

The Board of Supervisors shall consist of shareholders' representatives and appropriate proportion of employee representatives of the Company. The proportion of staff representatives shall not be less than one-third. The supervisor who is not an employee's representative shall be elected and removed by the general meeting. The employee's representative shall be democratically elected and removed by the employees of the Company.

**Article 183** Board of Supervisors shall perform the following duties:

(I) to review the reports prepared by the Board and to comment in writing;

(II) to inspect the financial status of the Company;

(III) to supervise the performance of duties by the directors, senior management, and propose to remove directors and senior management who have violated the laws, administrative regulations, these Articles of Association or resolutions of the general meeting;

(IV) to require the directors and senior management to correct the conduct of the directors, senior management officers that may harm the interest of the Company;

(V) to propose to hold an extraordinary general meeting, and convene and preside over the general meeting when the Board is unable to fulfill its duty to convene and preside over the general meeting specified by the Company Law;

(VI) to submit proposals to the general meeting;

(VII) to take legal action against the directors, other senior management according to Rule 151 of the Company Law;

(VIII) to conduct an investigation when finding irregularities in the operation of the Company. Professional organizations including accounting firms and law firms may be engaged when necessary, with the relevant costs to be borne by the Company.

**Article 184** General meeting of the Board of Supervisors shall be held at least once every six months. Meetings of the Board of Supervisors shall be convened and presided over by the chairman of the Board of Supervisors. A supervisor may propose to hold an extraordinary meeting of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to or fails to perform such duties, half or more of the supervisors shall jointly recommend a supervisor, who shall convene and preside over the meetings.

A resolution made by the Board of Supervisors shall be voted and adopted by more than two-thirds (including two-thirds) of the members of the Board of Supervisors. The notice on a meeting of the Board of Supervisors or extraordinary meeting of the Board of Supervisors shall be served by hands, post, fax, email and telephone. The notice shall be notified or served one to five days before convening the meeting of the Board of Supervisors or extraordinary meeting of the Board of Supervisors.

**Article 185** The Board of Supervisors shall formulate the rules of procedure for the Board of Supervisors which specifies method of discussion and voting procedure of the Board of Supervisors, to ensure the working efficiency and scientific decision-making of the Board of Supervisors.

Rules of procedure for Board of Supervisors shall be drafted by the copy and approved by the general meeting and is attached as an appendix to these Articles of Association.

**Article 186** The Board of Supervisors shall record the decisions made on the issues discussed at the meeting in the minutes, which shall be signed by the supervisors present at the meeting.

Any Supervisor shall have the right to have certain explanatory note entered into the minutes regarding his/her statements at the meeting. The minutes of the Board of Supervisors shall be saved in the archives of the Company for a period of ten years.

**Article 187** The notice of the meeting of the Board of Supervisors shall include the following:

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

(II) purposes and topics;

(III) date of notice.

## **CHAPTER 8 — QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, GENERAL MANAGER AND OTHER SENIOR MANAGEMENT OF THE COMPANY**

**Article 188** A person may not serve as a director, supervisor, the general manager or the senior management of the Company if any of the following circumstances applies:

(I) a person without legal or with restricted legal capacity;

(II) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation;

(III) a person who is a former director, factory manager or manager of a company or enterprise which has entered into insolvent liquidation and who is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date the completion of the insolvency and liquidation of the company or enterprise;

(IV) a person who is a former legal representative of a company or enterprise which had its business license revoked due to a violation of the law and who incurred personal liability, where less than three years has elapsed since the date of the revocation of the business license;

(V) a person who has a relatively large amount of debts due and outstanding;

(VI) a person who is under criminal investigation by a judicial organization for violation of the criminal law where said investigation is not yet concluded;

(VII) a person who is not eligible for enterprise leadership according to laws and administrative regulations;

(VIII) a non-natural person;

(IX) a person convicted of the contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five years has elapsed since the date of the conviction.

**Article 189** The validity of anything done by the directors, general manager and other senior management of the Company representing the Company to a third party acting in good faith shall not be impaired by any non-compliance of such directors, general manager and other senior management officers in respect to their appointment, election or qualification.

**Article 190** In addition to the obligations required by the laws, administrative regulations or listing rules of the stock exchange of the region where the Company shares are listed, the directors, supervisors, general manager and other senior management 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 general meeting in line with these Articles of Association.

**Article 191** The directors, supervisors, general manager and other senior management 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 192** When performing their duties, the directors, supervisors, general manager and other senior management 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 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 by the informed of shareholders in general meeting;
- (IV) to treat shareholders of the same category equally, and treat shareholders of different categories fairly;
- (V) not to sign any contract, deal or make any arrangements with the Company, unless otherwise specified by these Articles of Association, or approved by the informed of shareholders in general meeting;
- (VI) not to use the Company's property in whatever form to seek personal interests for themselves, unless otherwise allowed by the informed of shareholders in general meeting;
- (VII) not to use the authority to take bribes or solicit other illegal incomes, and never encroach upon the Company 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 by the informed of shareholders in general meeting;

(IX) to observe these 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 way, unless otherwise agreed by the informed of shareholders in general 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 term, nor use such information for any purpose other than for the interests of the Company, unless otherwise agreed by the informed of shareholders in general meeting.

Nevertheless, such information may be disclosed to the court or other competent government authority in the following cases:

(I) disclosure is required by the laws;

(II) there is a duty to the public to disclose;

(III) it is in the personal interests of such director, supervisor, general manager and other senior management to require disclosure.

**Article 193** The directors, supervisors, general manager and other senior management of the Company shall not incite the following persons or institutions (hereafter referred to as "related persons") to do such things as such director, supervisor, general manager and other senior management is prohibited from doing:

(I) spouses or minor children of the directors, supervisors, general manager and other senior management of the Company;

(II) the trustees of directors, supervisors, general manager and other senior management of the Company or any persons as described in paragraph (I) above;

(III) the partner of directors, supervisors, general manager and other senior management of the Company or any persons as set forth under paragraphs (I) and (II) above;

(IV) a company controlled de facto by the directors, supervisors, general manager or other senior management of the Company alone or jointly with the persons named in paragraphs (I), (II) and (III) above or other directors, supervisors, general manager and other senior management of the Company has a de facto controlling interest;

(V) The directors, supervisors, general manager and other senior management of the controlled company as described in paragraph (IV) above.

**Article 194** The fiduciary duty of a director, supervisor, general manager and other senior management 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 195** Except as provided in Article 58 of the Articles of Association, directors, supervisors, general manager and other senior management of the Company may be exempted from liabilities for specific breach of duties with informed consent by the general meeting.

**Article 196** Where the directors, supervisors, general manager and other senior management 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, supervisors, general manager and other senior management), they shall disclose to the board of directors as soon as possible why and how they are relevant thereto, no matter the relevant issue require the approval from the board of directors or not.

Except pursuant to provisions in paragraph 4(1) of the Appendix 3 to the Hong Kong Listing Rules or otherwise exempted by the Hong Kong Stock Exchange, directors do not have the right to vote on the contracts, transaction or arrangements or other proposals in which he/she or his/her close associates (refer to the definition in applicable securities listing rules from time to time) has material interest. The concerned director shall not be counted in the quorum of a meeting.

Exceptions permitted by the Hong Kong Stock Exchange include:

(I) (1) provide any pledge or indemnity to the director or his/her associate(s) in respect of money lent to the Company or any of its subsidiaries or obligations incurred or undertaken by him/her or any of them at the request of or for the benefit of the Company or any of its

subsidiaries; or (2) provide any pledge or indemnity to a third party by the Company or any of its subsidiaries in respect of its debt or obligation for which the director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(II) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the director or his/her associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(III) any proposal made by any other company in which the director or his/her associate(s) is/are interested, whether directly or indirectly (as an officer or executive or shareholder); or any proposal made by any other company in which the director or his/her associate(s) is/are beneficially interested in shares of that company, provided that such director and any of his/her associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his/her interest or that of his/her associates is derived) or of the voting rights;

(IV) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries, including:

(1) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the director or his/her associate(s) may benefit; or

(2) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any director, or his/her associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(V) any contract or arrangement in which the director or his/her associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/her/their interest in shares or debentures or other securities of the Company.

Unless the connected director, supervisor, general manager or other senior management of the Company has disclosed his/her connection to the Board in accordance with the preceding paragraph of the Articles of Association and the above matter has been approved by the Board at a meeting in which the connected director, supervisor or senior management 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, supervisors, general manager and other senior management.

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

**Article 197** If, prior to the Company beginning to consider signing a contract, deal or making an arrangement, a director, supervisor, general manager or other senior management 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 198** The Company shall in no way whatsoever pay taxes for its directors, supervisors, general manager and other senior management officers.

**Article 199** The Company shall not provide loans or loan guarantees directly or indirectly to the directors, supervisors, general manager and other senior management of the Company and its parent company, or to the related persons of the aforesaid persons.

The preceding provision 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, Supervisors, General manager and other senior management according to the employment contract approved by the general 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, loan guarantees to concerned directors, supervisors, general manager and other senior management as well as their related persons, provided only that these are based on the general commercial terms.

**Article 200** 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 201** A loan guarantee provided by the Company in breach of provision under paragraph (I) of Article 196 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, general manager and other senior management 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 buyer.

**Article 202** The 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 203** When the directors, supervisors, general manager and other senior management 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, supervisors, general manager and other senior management 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, supervisors, general manager and other senior management 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, Supervisors, General manager and other senior management officers representing the Company);

(III) to require directors, supervisors, general manager and other senior management to give up the income obtained as a result of the breach of their obligations;

(IV) to recover the money received by relevant directors, supervisors, general manager and other senior management that should have been received by the Company, including (but not limit to) commissions;

(V) to require relevant directors, supervisors, general manager and other senior management to return the interests earned or possibly earned on the money that should have been paid to the Company.

**Article 204** The Company shall establish written contracts on remunerations of the directors and supervisors of the Company, and such contracts shall be approved by the general meeting in advance. The aforesaid remunerations shall include:

- (I) remunerations for being the directors, supervisors or senior management of the Company;
- (II) remunerations for being the directors, supervisors or senior management 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 or supervisors for the loss of positions or retirement.

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

**Article 205** There shall be a provision in a contract made between the Company and a director or supervisor in respect of their remuneration that the director or the supervisor shall, with the prior approval of the shareholders in the general meeting, be entitled to payment by way of compensation for loss of office or other amounts as consideration for his 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; or
- (II) a takeover offer made by any person with a view to the offeror of becoming the controlling shareholder. The definition of controlling shareholder shall be the same as the one defined in the Article 264 of these Articles of Association. If a relevant director or supervisor 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 or supervisor 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 79 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION  
AND AUDIT****Section 1 Financial and Accounting System**

**Article 144206** 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 supervisory department of the State Council.

**Article 145** The financial statements of the Company shall be prepared in accordance with accounting standards and regulations of the PRC.

**Article 146** The Company shall prepare and disclose financial reports in accordance with the requirements of the listing rules of the stock exchange where the shares are listed.

**Article 207** The Company shall prepare a financial report at the end of each accounting year, and such financial report shall be reviewed and verified according to the laws.

**Article 147208** The Board of the Company shall, at each annual general meeting, submit to the shareholders 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 148209** The annual 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 general 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 a copy of the said reports or the report of directors together with the balance sheet (including all documents required to be annexed to the balance sheet according to the relevant regulations), the income statement or profit or loss statement or a summary of the financial report to each shareholder of Overseas listed Foreign invested Shares in person and by pre-paid post at least 21 days prior to the convening of the annual general meeting at the address appearing on the register of shareholders. Subject to the obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange on which the Company's shares are listed, the notice of the meeting may also be given by way of public announcement (including publishing on the website of the Company).

**Article 210** The financial statement of the Company shall be prepared in line with the accounting standards, laws and regulations of China.

**Article 211** The quarterly/interim/annual results or financial information published or disclosed by the Company shall be prepared according to the Chinese accounting standards, laws and regulations.

**Article 212** 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.

**Article 149213**–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 214** The capital reserve includes the amounts named below:

- (I) premium obtained from the share issuance at a price higher than the face 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 150215**–The Company shall, when distributing the post-tax profit of an accounting year, accrue 10% of the profit to list it in the legal reserves of the Company. The Company may not further accrue the legal reserves when its accumulative amount represents 50% or more of the registered capital of the Company.

When the legal 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 legal reserves according to the previous paragraph.

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

Subject to the resolution of the shareholders' general meeting, 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.

If the shareholders' general meeting breaches the preceding paragraph by distributing the profit to the shareholders before the loss recovery and accrual of the legal reserves, the shareholders shall return to the Company the profit distributed in violation of the law. If losses are caused to the Company, the Shareholders and the Directors and senior management who are responsible shall be liable for compensation.

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

**Article 151216**—The reserves of the Company are used to offset the losses of the Company, expand business scale or bolster registered capital. To cover the losses of the Company with the reserve funds, the discretionary reserve fund and statutory reserve fund shall be used first; if it cannot be covered, the capital reserve fund can be used according to regulations. Nevertheless, the capital reserves will not be used to offset the losses of the Company.

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

**Article 152217**—After a resolution on the profit distribution plan is made at the shareholders' general meeting, the board of directors of the Company shall complete the distribution of the dividend (or shares) within two months after the said meeting.

**Article 153218**—The Company may distribute its profit in the form of cash or in other ways as permitted by the laws. The profit distribution policy of the Company shall maintain consistent and stable in the form of cash or shares. The implementation of Company's profit distribution policy shall be observe the following rules:

(I) The profit distribution of the Company shall focus on providing shareholders with reasonable investment return, 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, and may distribute interim profit. In the event of distributing the dividends to shareholders of the Company, the payable taxes on the dividend incomes of the shareholders shall be withdrawn in accordance with the relevant requirements of law and regulations.

(III) Amendments to the profit distribution policy on the basis of the Company's production and operation conditions, investment plan or long-term development needs shall not contravene relevant requirements imposed by the securities regulatory authorities under the State

Council~~CSRC~~ and overseas stock exchange. The proposal for the amendments to the Company's profits distribution policy shall seek approval from the shareholders' general meeting after being reviewed by the Board.

**Article 154219**~~Any amount paid up in advance of calls on any shares may carry interest but the holder of such shares shall not be entitled to participate in respect thereof in a subsequent dividend declaration.~~

**Article 155220**~~The Company shall appoint receiving agents in Hong Kong on behalf of the holders of Overseas-listed Foreign-invested Shares to receive and keep on behalf of the relevant shareholders the dividends distributed by the Company in respect of Overseas-listed Foreign-invested Shares and other payables, and make payment to such shareholders.~~

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

The receiving agents appointed by the Company for holders of foreign shares listed in Hong Kong shall be a trust company registered under the Trustee Ordinance of Hong Kong.

Subject to the relevant laws, regulations 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.

## **Section 2 Internal Audit**

**Article 156221**~~The Company shall implement an internal audit system, which shall specify the leadership structure, duties and authorities, staffing, funding, application of audit results, and accountability mechanisms for internal audit work. The Company shall have an internal audit system, arrange special auditors, and conduct the internal audit supervision of the financial incomes and expenditures and economic activities of the Company.~~

**Article 157222**~~The internal audit department of the Company shall supervise and inspect matters relating to the Company's business activities, risk management, internal control, financial information and other matters. The internal audit system of the Company and the responsibilities of auditors shall be implemented upon the approval of the Board. The principal of the audit department shall be responsible and report to the Board.~~

**Article 158** The internal audit department shall be accountable to the board of directors.

During the process of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit department shall be subject to the supervision and guidance of the audit committee. If the internal audit department discovers any material issues or leads, it shall report them directly to the audit committee without delay.

**Article 159** The internal audit department shall actively cooperate and provide necessary support and assistance when the audit committee communicates with external audit institutions such as accounting firms and national audit authorities.

### **Section 3 Engagement of Accounting Firms**

**Article 160223**–The Company shall engage a firm that has the “qualification to engage in securities related business” to audit and review the Financial Statements of the Company, verify the net assets and offer other consulting services.

**Article 161224**–The engagement of an accounting firm by the Company shall be decided by the shareholders' general meeting, and the board of director shall not engage an accounting firm before any resolution made by the shareholders' general meeting.

The term of the accounting firm engaged by the Company shall commence when the current annual general meeting finishes and end when next annual general meeting concludes.

**Article 162225**–The shareholders' general 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 163226**–The accounting firm engaged by the Company shall enjoy the following rights:

(I) to have the access to the books, records or vouchers of the Company at any time, and have the right to require the directors, general manager 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 general 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 164227**—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 165228**—The auditing fee of the accounting firm shall be determined by the shareholders' general meeting.

**Article 166229**—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' general meeting of the Company.

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

**Article 167230**—The shareholders' general 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 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' general 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; and

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

(III) If the Company fails to distribute the statement of the accounting firm as specified in paragraph (II) of this Article, the accounting firm may require the statement to be read out at the shareholders' general 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' general meeting for which the term of the accounting firm shall expire;
- (2) the shareholders' general meeting that incurs a vacancy because of the dismissal of the accounting firm;
- (3) The shareholders' general 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 168231**—The accounting firm may resign from the position by submitting a written notice of resignation to the registered address of the Company. The notice shall take effect on the date on which it is submitted to the legal address of the Company or such later date as may be specified in the notice. Such notice shall include the following statements:

- (I) the statement that its resignation does not involve any situation that shall be stated to the shareholders or creditors of the Company; or
- (II) statement on any situation that shall be stated.

The Company shall deliver a copy of the notice to the relevant competent authorities within 14 days after receipt of such notice. If the notice contains the statement mentioned in (II) under this Article, the Company shall keep a duplicate of such statement in the Company and make it available to the shareholders. The Company shall also send a duplicate of such statement to each shareholder who has the right to receive the financial report of the Company in the manner specified in these Articles of Association.

**Article 169232**—If the notice of resignation of the accounting firm contains the statement referred in (II) of Article 167234, the accounting firm may require the Board to hold an extraordinary general meeting to hear the explanation about relevant situations concerning its resignation.

## CHAPTER 810 NOTICES

**Article 170233**—The notices of the Company shall be delivered by the following means:

- (I) by hand;
- (II) by letter (including ordinary mail, registered mail and express delivery service);
- (III) by announcementfaesimile;
- (IV) by mail;
- (V) by other means stipulated in these Articles of Association.

**Article 171234**—If a notice is given by the Company by means of announcement, once such announcement has been made, this shall be deemed as notice received by all relevant persons and the date of service is the date of the first publication of the announcement. 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 letter, the date of delivery shall be the third working day upon the delivery to the post office. ~~For any notice delivered by fax, the date of delivery shall be the record date of fax.~~ For any notice delivered by e-mail, the date of delivery shall be the date of sending. For any notice delivered by phone, the date of delivery shall be the record date of call.

**Article 172235**—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.

**Article 173236**—Where power is taken to cease sending dividend warrants by post, if such warrants have been left uncashed, it will not be exercised until such warrants have been so left uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such a warrant is returned undelivered.

**Article 174**~~237~~—Where power is taken to sell the shares of a member who is untraceable it will not be exercised unless:

(I) during a period of 12 years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed; and

(II) on expiry of the 12 years, the Company gives notice of its intention to sell the shares by way of an advertisement published in the newspapers and notifies the Stock Exchange of such intention.

**Article 175**~~238~~—Unless otherwise specified in these Articles of Association, for notice issued by the Company to the holders of Overseas-listed Foreign-invested Shares by way of announcement, the Company shall on the same day submit an electronic version to the Hong Kong Stock Exchange through the Hong Kong Stock Exchange electronic publishing system for immediate release on the website of the Hong Kong Stock Exchange in accordance with the rules of the listing place. The announcement shall also be published on the Company's website at the same time.

Holders of the Company's Overseas-listed Foreign-invested Shares may elect to receive the corporate communication (as defined in the Hong Kong Listing Rules) that the Company is required to send to shareholders either by electronic means or by post in accordance with the requirements of laws, regulations and the Hong Kong Listing Rules, and may also elect to receive either the English or Chinese version only, or both the English and Chinese versions. They shall have the right to change their choices as to the manner of receiving the same and the language at any time by reasonable prior written notice to the Company in accordance with applicable procedures.

**Article 239** ~~All notices or any other documents of the Company to be submitted to the Hong Kong Stock Exchange according to Chapter 13 of the Hong Kong Listing Rules shall either be written in English or accompanied by a signed and certified English translation.~~

**Article 240** ~~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. When a notice is delivered by mail, it shall be having been delivered to the extent that the envelope is properly addressed, the postage is prepaid, the notice is contained in the envelope and the envelope which contains the notice is put into the postbox. The notice shall be deemed as having received 48 hours upon the delivery. For any notice delivered by announcement, the date of delivery shall be the first day on which such announcement is published. For any notice delivered by fax or email, the date of delivery shall be the date of sending or publishing.~~

**Article 176241**—Notwithstanding the aforesaid provision which specifies providing and/or dispatching written corporate communication to shareholders, for the purpose of the means by which the Company provides and/or dispatches its corporate communication to shareholders according to the Hong Kong Listing Rules, if the Company has obtained shareholders' prior written consent or deemed consent according to the relevant laws and regulations and relevant requirements of the Hong Kong Listing Rules as amended from time to time, the Company may dispatch or provide corporate communication to its shareholders by electronic means or via its website. Corporate communication includes but not limited to circulars, annual reports, interim reports, ~~quarterly reports~~, notices of shareholders' general meetings, and other types of corporate communication as specified in the Hong Kong Listing Rules. Where power is taken to give notice by advertisement, such advertisement may be published in the newspapers. And there is no restrictions on announcement to the shareholders whose registered addresses are outside Hong Kong.

## **CHAPTER 944 MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION**

### **Section 1 Merger, Division, Capital Increase and Capital Reduction**

**Article 177242**—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 178243**—In the event of merger or division of the Company, a plan shall be proposed by the Board and shall be approved in accordance with the procedures stipulated in these Articles of Association and the relevant examining and approving formalities shall be carried out as required by law. Shareholders who oppose the plan of merger or division of the Company shall have the right to request that the Company or the shareholders who consent to such plan purchase their shares at a fair price. A special document of the Company's resolution on the merger or division should be prepared for inspection by the shareholders.

For holders of Overseas-listed Foreign-invested Shares of the companies listed in Hong Kong, the aforesaid document shall be despatched by mail or other means specified by these Articles of Association.

**Article 179244**—In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days as of the date of the Company's resolution on merger and shall make newspaper an announcement on provincial press or the National Enterprise Credit Information Publicity System within 30 days as of the date of the Company's resolution on merger. Creditors may, within 30 days after receipt of such notice from the Company, or within 45 days as of the date of the announcement for those who do not receive such notice, to demand that the Company repay their debts or provide a corresponding guarantee for such debts.

**Article 180245**—Upon merger, the credits and liabilities of each of the merged parties shall be assumed by the surviving party or the newly established company.

**Article 181246**—Where there is a division of the Company, its assets shall be divided accordingly.

The parties to the division shall prepare their balance sheet and inventory of assets. The Company shall notify its creditors within ten days of the date of the division resolution and shall publish an announcement on provincial press or the National Enterprise Credit Information Publicity System for information disclosure within 30 days of the date of the division resolution.

**Article 182247**—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 183248**—Where the Company needs to reduce its registered capital, it shall prepare balance sheet and an inventory of assets.

The Company shall notify its creditors within ten days from the date of the resolution for reduction of capital and shall publish an announcement on provincial press or the National Enterprise Credit Information Publicity System for information disclosure within ten 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 amount of capital contribution or shares in accordance with the proportion of shares held by shareholders, except as otherwise provided by laws or the Articles of Association. The registered capital of the Company after reduction shall not be less than the statutory minimum amount.

**Article 184249**—When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law; when the Company dissolves, the Company shall finish its deregistration in accordance with the law; when a new company is established, its establishment shall be registered in accordance with the law.

The Company shall go through the formality of changes in respect of any increase or decrease in its registered capital with the relevant company registration authorities.

**Article 185** When the Company issues new shares to increase its registered capital, shareholders do not have pre-emptive rights, unless otherwise stipulated in the Articles of Association or a resolution of the shareholders' general meeting grants shareholders pre-emptive rights.

## **Section 2 Dissolution and Liquidation**

**Article 186250**—The Company shall be dissolved due to any of the following reasons:

(I) the term of operation expires, or any dissolution events as stipulated in these Articles of Association occur;

(II) a resolution for dissolution is passed at the shareholders' a general meeting;

(III) dissolution as a result of a merger or division of the Company;

(IV) the business license of the Company is revoked, or the Company is ordered to close down or revoked in accordance with laws;

(V) Shareholders holding 10% or more of all the voting rights of the Company applies to the People's court for dissolution when the Company experiences severe difficulties in its operations and management and continual operation of the Company will bring significant losses to the interest of Shareholders while there are no other ways to resolve the difficulties.

If any of the circumstances as mentioned in the preceding paragraph arises, the Company shall disclose the reasons for dissolution on the National Enterprise Credit Information Publicity System within ten days.

**Article 187251**—In the event that the situation described in item (I) of Article 186250 in these Articles of Association occurs, the Company may continue its operation through amending these Articles of Association.

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

**Article 188252**—A liquidation committee shall be set up within 15 days of the Company being dissolved pursuant to items (I), (II), (IV) and (V) of Article 186250 in these Articles of Association. The composition of the liquidation committee of the Company shall be determined by the Board or by the shareholders' a general meeting. If the Company fails to set up the liquidation committee within the period, the creditors may apply to the People's Court for appointment of relevant persons to form a liquidation committee and carry out liquidation.

**Article 189253**—During the liquidation period, the liquidation committee shall exercise the following functions and powers:

- (I) to verify the assets of the Company, prepare a balance sheet and an inventory of assets;
- (II) to notify the creditors or to publish public announcements;
- (III) to handle any unfinished businesses of the Company in relation to the liquidation;
- (IV) to pay all outstanding taxes and taxes incurred in the process of liquidation;
- (V) to settle claim and debts;
- (VI) to deal with the surplus assets remaining after the debts of the Company have been repaid;
- (VII) to represent the Company in any civil proceedings.

**Article 190254**—The liquidation committee shall inform the creditors within ten days of its establishment and an announcement shall be published on provincial newspaper or the National Enterprise Credit Information Publicity System for information disclosure within 60 days. The creditors shall declare their claims to the liquidation team 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 team shall carry out registration of the creditors' claims.

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

**Article 191255**—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 the shareholders'a general 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, as well as tax payable remaining assets of the Company after payment respectively, the Company shall distribute to its shareholders according to the proportion of shares held.

During the liquidation, the Company remains subsisting but may 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 article.

**Article 192256**—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 a liquidation~~declaration~~ of insolvency.

After the liquidation of insolvency is accepted~~Company is declared insolvent~~ by the People's Court, the liquidation of the Company shall be taken up by the bankruptcy administrator~~designated by~~ the People's Court.

**Article 193257**—Upon completion of liquidation, the liquidation committee shall prepare a liquidation report, submit them~~it~~ to the shareholders'a general meeting ~~of~~ or the People's Court for confirmation, and submit to the company registration authority for cancellation of the Company's registration~~and announce the termination of the Company~~.

**Article 194258**—The members of the liquidation committee shall fulfill their obligations of liquidation with duties of loyalty and diligence. The members of the liquidation committee shall perform their duties with due diligence and in accordance with the laws.

Members of the liquidation committee shall bear the liability for damages suffered by the Company due to their negligence in performing the obligations of liquidation; if a member of the liquidation committee causes loss to the creditors due to intentional misconduct or gross negligence, he/she shall be liable for damages. ~~The members of the liquidation committee shall not exploit their position to accept bribes or other illegal income or expropriate the property of the Company in any way.~~

~~The members of the liquidation committee shall be liable to compensate the Company or creditors for any loss caused intentionally or by material default.~~

**Article 195259**—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 1012 AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**Article 196260**—Amendments shall be made to these 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 these 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 the shareholders' general meeting to make any amendment to these Articles of Association.

**Article 197261**—The amendments to these Articles of Association as adopted by resolution of the shareholders' general meeting which should be approved by competent authorities shall be submitted to the approval competent authorities for approval. Amendment of the Company's Articles of Association involving changes in the particulars of registration of the Company shall be made through a change in registration in accordance with laws.

**Article 198262**—The Board shall amend these Articles of Association in accordance with the resolution to amend the Company's Articles of Association passed at the shareholders' general meeting and the review opinions from the relevant competent authorities.

**CHAPTER 13 DISPUTE RESOLUTIONS**

**Article 263** Unless otherwise provided in these Articles of Association, 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 and the Company, or between holders of the Overseas-listed Foreign-invested Shares and the directors, supervisors, general manager or other senior management 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 these Articles of Association, or any rights or obligations conferred or imposed by 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 must 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, supervisors, general manager or other senior management 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 and Trade Arbitration Commission in accordance with its Rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If a claimant 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 of rights 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.

(V) ~~The arbitration agreement shall be reached by directors or senior management and the Company which represents both itself and each of the shareholders.~~

(VI) ~~Any arbitration submitted shall be deemed as authorizing the arbitration tribunal to conduct a public hearing and announce its verdict.~~

## **CHAPTER 1114 SUPPLEMENTARY**

### **Article 199264 Definitions**

(I) Controlling Shareholder refers to any person (including holders of Depository Receipts) who is a group or persons (including any holders of Depository Receipts) who are together entitled to exercise or control the exercise of 30% (or such other percentage as may from time to time be specified in the Code of Takeovers, as being the level for triggering a mandatory general offer) or more of the voting power of the shareholders' general meeting of the Company or who is or are in a position to control the composition of a majority of the Board of the Company.

(II) Actual controller refers to anyone (even though not a shareholder of the Company) who can actually control the actions of the Company through investment relationships, agreements or any other arrangements.

(III) Connected relationship shall have the meaning ascribed to it under the Listing Rules of the Hong Kong Stock Exchange.

These Articles of Association are written in Chinese. Where versions in other languages or different versions have different interpretations or meanings, the latest verified Chinese version registered in Xinjiang Uygur Autonomous Region Administration of Industry and Commerce shall prevail.

**Article 200265**—The expressions of “or more”, “within”, “below” shall include the figures mentioned whilst the expressions of “short of”, “without”, “less than” and “more than” shall not include the figures mentioned.

**Article 201266**—The interpretation of these Articles of Association shall be vested to the Board of the Company.

**Article 202267**—Upon consideration and approval by the shareholders' general meeting, these Articles of Association shall take effect from the date of listing of the Company on the Hong Kong Stock Exchange.

**XINTE ENERGY CO., LTD.**

DecemberSeptember 2025

**THE RULES OF PROCEDURE  
FOR THE BOARD OF DIRECTORS OF XINTE ENERGY CO., LTD.**

**CHAPTER 1 GENERAL PROVISIONS**

**Article 1** In order to further improve corporate governance structure, enhance the terms of reference of the Board, regulate the internal structure and operation process of the Board, and ensure the working efficiency and scientific decision-making of the Board, these rules of procedure for the Board meetings are formulated in accordance with the Company Law of the People's Republic of China (the “**Company Law**”), the Securities Law of the People's Republic of China, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》), the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”), the Corporate Governance Code for Listed Companies, the Articles of Association of Xinte Energy Co., Ltd. (the “**Articles of Association**”) and other relevant laws and regulations.

**Article 2** The Board shall have reasonable professional structure, and its members shall have necessary knowledge, skills and quality to perform their duties.

**Article 3** The Board is the decision-making body for the operation and management of the Company. The Board safeguards the interest of the Company and all its shareholders and decides on the development targets and major operating activities of the Company based on the rights of management and operation of the Company within the authorization scope of the Articles of Association and the shareholders' general meeting.

**Article 4** The Board represents the Company externally, and the chairman of the Board is the legal representative of the Company.

**CHAPTER 2 CHAIRMAN AND THE POWERS AND RESPONSIBILITIES**

**Article 5** The chairman of the Board shall be elected from among the Company's directors, and elected and removed by a majority vote of all directors of the Board.

**Article 6** The chairman of the Board shall perform the following duties and powers:

- (I) to preside over shareholders' general meetings, convene and preside over the Board meetings and direct the daily operation of the Board;
- (II) to supervise and inspect the implementation of resolutions of the Board;

(III) To sign the Company's shares, corporate bonds and other securities;

(IV) To sign important documents of the Board and other documents that shall be signed by the Company's legal representative;

(V) To exercise the powers of the legal representative;

(VI) In case of emergencies such as extraordinary natural disasters or other force majeure events, to exercise special disposal power in respect of the Company's affairs in accordance with legal provisions and the Company's interests, and to report to the Company's Board and shareholders' general meeting afterwards;

(VII) To issue "Legal Person Power of Attorney" to the general manager and other company personnel as required by business operations;

(VIII) To nominate candidates for general manager and board secretary to the Board;

(IX) To issue appointment and removal documents for senior management personnel such as the general manager, deputy general manager, chief accountant and Board secretary in accordance with the decisions of the Board;

(X) In accordance with the principles of science, efficiency and prudence, the chairman of the Board shall exercise part of the powers of the Board on its behalf during the adjournment of the Board meeting:

1. To listen to the general manager's report on the implementation of the production and operation plans and investment proposals;
2. To listen to the general manager's report on the implementation of the Company's financial budget;
3. To listen to the general manager's report on the implementation of the Company's basic management systems;
4. To supervise and inspect the general manager's work;
5. When the chairman of the Board deems it necessary, to have the right to request the general manager to organise relevant departments to hold special meetings.

(XI) other duties and powers as authorized by the Board.

**Article 7** The chairman of the Board may exercise part of the powers of the Board in accordance with the authorization of the Board, but shall submit a written report on the relevant implementation to the latest Board meeting for filing. The chairman of the Board has no right to make decisions on matters beyond the scope of authorization and shall promptly propose to convene a Board meeting for collective discussion and decision-making.

~~With the authorisation of the Board, during the adjournment of the Board meeting, under the following circumstances, the chairman of the Board has the right to exercise powers in respect of the matters listed in Items (I) to (IV) of Article 15 of these Rules involving less than 10% of the Company's latest audited net assets, and shall inform the Board at the next meeting:~~

- (I) ~~The Board has expressed the principle-based opinions on the Company's operation and investment decisions, and in the specific implementation process, it is necessary for the Board to form a special resolution; or changes in circumstances require corresponding adjustments and modifications to the Board's decisions;~~
- (II) ~~Although the Board has not expressed principle-based opinions, changes in objective circumstances require the Company to seize opportunities in a timely manner and take corresponding measures to make the Company's operation and asset disposal activities more conducive to the Company's operating efficiency.~~

~~If the above-mentioned matters are governed by other laws, regulations, departmental rules, normative documents or the Articles of Association of the Company, such provisions shall prevail.~~

**Article 8** If the chairman of the Company is unable or fails to perform his/her duties, a director shall be elected jointly by half or more of all directors to perform such duties.

### CHAPTER 3 THE BOARD AND THE FUNCTIONS AND POWERS

**Article 9** The Company established the Board in accordance with the law. ~~Entrusted by the shareholders' general meeting, the Board is responsible for the operation and management of the Company's legal person property, serves as the Company's operation and decision-making center, and the Board is accountable to the shareholders' general meeting.~~

**Article 10** The Board shall consist of nine directors, including one chairman of the Board and three independent non-executive directors. ~~with one chairman of the Board.~~

**Article 11** The Board shall have the following duties and powers:

- (I) convening shareholders' general meetings and presenting reports thereto; ~~the shareholders' general meeting shall be convened and presided over by the chairman of the Board, and the registered shareholders of the Company shall be notified 20 days prior to the convening of the annual general meeting and 15 days prior to the convening of the extraordinary general meeting;~~
- (II) implementing the resolutions made at the shareholders' general meetings;
- (III) determining the Company's business and investment plans;
- (IV) ~~Working out the Company's annual financial budget plans and final account plans, and submit them to the shareholders' general meeting for approval;~~
- (V) working out the Company's profit distribution plans and loss recovery plans, and submit them to the shareholders' general meeting for approval;
- (VI) working out the Company's plans on the increase or reduction of registered capital, as well as on the issuance of shares, bonds or other securities listing plans;
- (VII) formulating proposals for material acquisitions, purchase of shares of the Company, merger, split-up, change of the Company nature and dissolution;
- (VIII) deciding on the establishment of the Company's internal management departments;
- (IX) ~~deciding on external investment, acquisition and disposal of assets, asset mortgage, external guarantee, consigned financial management, connected transactions, etc. of the Company within the scope authorized by the shareholders' general meeting or the Articles of Association;~~
- (X) deciding on the appointment or dismissal of general manager and the Board secretary to the Company; ~~deciding on the appointment or dismissal of the Board secretary according to the nomination of the chairman of the Board; deciding on the appointment or dismissal of the deputy general manager, chief accountant and other senior management personnel according to the nomination of the general manager, as well as their remuneration, rewards and punishments;~~
- (XI) formulating the plan for modification of the Articles of Association;

(XII) formulating the Company's basic management system;

(XIII) ~~To formulate the Company's information disclosure system and manage information disclosure matters;~~ (XIV) proposing the employment or replacement of the certified accounting firm which audits the Company's accounts to the shareholders' general meeting;

(XV) listening to the work reports of the general manager, ~~and other senior management~~

(XIII) ~~personnel appointed by the Board~~ and supervise and inspect their work;

(XVI) exercising other powers regulated in laws, regulations and the listing rules of the stock exchange where the Company's shares are listed and conferred by the shareholders' general meeting or the Articles of Association. Other powers stipulated by laws, regulations or the Articles of Association of the Company, as well as those authorised by the shareholders' general meeting.

**Article 12** The Board of the Company shall have four special committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee and the Strategy Committee. Each special committee is accountable to the Board, with all its members being directors. The Board is responsible for formulating the rules of procedure for the special committees and regulating their operations.

The Audit Committee of the Company exercises the powers and functions of the Supervisory Board as stipulated by the Company Law.

**Article 13** The Board shall also be responsible for the followings:

(I) implementing, reviewing and improving the corporate governance system and condition of the Company;

(II) reviewing and supervising the training and continuing professional development of directors and senior management;

(III) reviewing and supervising the compliance of the Company's policies with laws and relevant regulations of the securities regulatory authority where the shares are listed and making the relevant disclosure;

(IV) formulating, reviewing and supervising the code of conduct and relevant compliance manual of employees and directors.

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

~~The Board shall report to the shareholders' general meeting on the performance of duties by directors and the results of performance evaluation, and disclose such information.~~

**Article 14** The Board shall provide an explanation to the shareholders' general meeting regarding the non-standard audit opinion issued by the certified public accountant on the Company's financial reports. If the certified public accountant issues an audit report on the Company's financial statements with an explanatory note, qualified opinion, disclaimer of opinion or adverse opinion, the Board shall explain to the shareholders' general meeting the relevant matters leading to the issuance of such opinions by the accountant and their impact on the Company's financial and operating conditions, and propose corresponding handling measures.

**Article 15** The Board shall report at the annual shareholders' general meeting on the implementation of the matters that should be implemented by the Board in the resolutions of the shareholders' general meeting since the previous annual shareholders' general meeting.

**Article 16** The Board shall determine the rights relating to external investment, acquisition and disposal of assets, asset mortgage, external guarantees, entrusted financial management, connected transactions, etc. and shall establish strict examination and decision-making procedure; and organize relevant experts and professionals to make assessments on material investment projects and submit them to the shareholders' general meeting for approval.

The approval authority for major matters such as the Company's investments, guarantees, and borrowings is as follows:

- (I) Investments (including equity investments in legal persons such as other companies and enterprises, excluding the establishment of branch offices)
  - (1) where the amount of a single investment reaches or exceeds 50% of the Company's latest audited net assets, it shall be deliberated and decided by the shareholders' general meeting of the Company;
  - (2) where the amount of a single investment does not reach 50% of the Company's latest audited net assets, it shall be deliberated and decided by the Board of the Company;

(3) where the amount of a single investment does not reach 2% of the Company's latest audited net assets, it shall be deliberated and decided by the chairman of the Board, general manager, and other senior management personnel of the Company.

(II) Guarantees

The following external guarantee acts of the Company shall, after being deliberated and approved by the Board, be submitted to the shareholders' general meeting for consideration and approval:

- (1) a single guarantee amount exceeding 10% of the Company's latest audited net assets;
- (2) any guarantee provided after the total external guarantees of the Company and its controlling subsidiaries exceed 50% of the Company's latest audited net assets;
- (3) a guarantee provided to a guaranteed party with an asset-liability ratio exceeding 70%;
- (4) the total guarantee amount within twelve consecutive months exceeding 30% of the Company's latest audited total assets;
- (5) the total guarantee amount within twelve consecutive months exceeding 50% of the Company's latest audited net assets with an absolute amount exceeding RMB30 million;
- (6) a guarantee provided to a shareholder, de facto controller, and their respective connected party;
- (7) other guarantee scenarios stipulated by the Articles of Association of the Company.

When the Board deliberates on the guarantee matters, the approval of more than two-thirds of the directors attending the Board meeting shall be obtained. Guarantees involving connected persons are also subject to the supervision of the Hong Kong Listing Rules.

When the proposal for a guarantee provided to a shareholder, de facto controller, or their respective connected person is deliberated at the shareholders' general meeting, such shareholder or the shareholder controlled by such de facto controller shall not participate in the voting on the proposal. The proposal shall be adopted by a majority of the voting rights held by other shareholders attending the shareholders' general meeting.

### (III) Borrowings

The Company may borrow funds from financial institutions or other parties for its own operational needs.

- (1) where the amount of a single borrowing exceeds RMB50 million and the Company's asset-liability ratio exceeds 65% (inclusive), the borrowing shall be deliberated and decided by the Board of the Company;
- (2) where the amount of a single borrowing is RMB50 million or less and the Company's asset-liability ratio is less than 65%, the borrowing shall be decided by the general manager of the Company.

The Company shall not provide loans to other companies or enterprises, but may provide loans to wholly-owned and controlling subsidiaries in ways permitted by laws and regulations.

The term "amount of a single borrowing" as mentioned above refers to the borrowing amount, credit limit, and maximum loan limit specified in a single loan contract, comprehensive credit contract, or maximum amount loan contract.

With the authorisation of the shareholders' general meeting, the Board has the right to exercise the following powers involving less than 30% of the Company's latest audited net assets:

- (I) Sale and acquisition of assets;
- (II) Asset mortgage;
- (III) Borrowing, entrusted loans, entrusted operation, entrusted wealth management, donations, contracting, leasing, etc.;
- (IV) External investment;

If the amount involved in the above-mentioned matters exceeds 30% of the Company's latest audited net assets, such matters shall be deemed as major matters for which the Company shall organize experts and professionals to conduct a review, and submit them to the shareholders' general meeting for deliberation and approval.

Article 16 Except for external guarantees that shall be decided by the shareholders' general meeting, the Company's external guarantees shall be deliberated by the Board. For external guarantees subject to the approval of the Board, the consent of more than two-thirds of the directors attending the Board meeting and more than two-thirds of all independent directors shall be obtained. If the shareholders' general meeting or the Board violates the authority for approving external guarantees as stipulated in the Articles of Association of the Company, the corresponding legal and economic responsibilities of the responsible persons shall be pursued.

#### **Chapter 4 Special Committees**

Article 17 The Board shall establish a Strategy Committee, Audit Committee, Remuneration and Appraisal Committee, and Nomination Committee to provide consultation and suggestions for the major decisions of the Board. Each special committee shall consist of five directors; independent directors shall account for more than half of the members of the Audit Committee, Remuneration and Appraisal Committee, and Nomination Committee, and shall serve as the convener. The person in charge and convener of the Audit Committee shall be an independent director with accounting expertise.

Article 18 The Board shall be responsible for formulating the terms of reference for each special committee.

#### **CHAPTER 54 CONVENING OF BOARD MEETING**

Article 17 The Board shall hold at least two four regular meetings every year, which shall be convened by the chairman of the Board, and all directors and attending Supervisors shall be notified with the notice of meeting sent in writing to all the directors 1014 days in advance.

Notice of board meeting shall include the following contents:

- (I) the date and venue of the meeting;
- (II) the duration of the meeting;
- (III) the subject and issues to be discussed;

(IV) the date of issue of such notice.

The writing notice referred in this Article shall include delivery by hand, post, facsimile and email etc.

**Article 18** The chairman of the Board shall convene an extraordinary board meeting within ten days in one of the following situations when it is:

- (I) jointly proposed by one-third or above of the directors;
- (II) proposed by the Supervisory BoardAudit Committee;
- (III) proposed by shareholders representing one-tenth or above of the voting rights.

**Article 19** The notice of an extraordinary Board meeting shall be served by hands, post, fax, email and telephone; all directors shall be notified the notice for each meeting shall be given or delivered in writing 31 to 5 days before convening the extraordinary Board meeting.

However, with the unanimous consent of all directors, the time limit for notifying an extraordinary board meeting convened for particularly urgent matters may not be subject to the restriction specified in the preceding paragraph. However, in case of urgent matters, the convening of an extraordinary Board meeting may be notified at any time through the communication methods such as telephone, fax, express mail, registered mail, and e-mail retained by the directors with the Company; once the above methods are adopted, the notification shall be deemed to have been delivered to the directors. If a director has attended the meeting and has not claimed that he/she has not received the meeting notice at the beginning of the meeting, it shall be deemed that the meeting notice has been sent to him/her. On the premise of ensuring that the directors can fully express their opinions, extraordinary board meetings may be held through methods such as fax, e-mail, and telephone. If the Company sends the notice by e-mail, the date of sending the e-mail shall be deemed as the date of delivery; however, the Company shall inform the recipient by telephone on the date of sending the e-mail and retain the e-mail sending records and e-mail receipts until the signing of the resolution.

**Article 20** The Board meeting shall be convened in strict accordance with the prescribed procedures. The Board shall provide all directors with sufficient information, including relevant background materials on the subject of the meeting and information and data that will help the directors understand the progress of the Company's business, while giving the notice of the Board

meeting. When 2 or more independent directors consider that the information is insufficient or the arguments are unclear, they may jointly propose in writing to the Board to postpone the Board meeting or to postpone the consideration of such matter, and the Board shall adopt the proposal.

**Article 21** All proposals to be submitted to the Board for discussion shall be collected by the Board secretary, who shall submit them to the Board for discussion and decision-making.

### **CHAPTER 65 PREPARATION OF THE BOARD MEETINGS**

**Article 22** Before the Board meeting, the secretary to the Board shall prepare all the information for the meeting.

**Article 23** If any director has any amendment to the meeting materials, he shall submit written amendment three days before the meeting so that the secretary to the Board may improve the meeting materials and enhance the efficiency of the meeting.

**Article 24** The secretary to the Board shall notify the directors in advance of the time, venue and main topics of the meeting. If a director is unable to attend the meeting for any reason, he shall ask for leave from the chairman of the Board and delegate other directors to vote on his behalf in accordance with rules. If a director fails to attend the meetings of the Board in person or fails to appoint any other director to attend on his/her behalf as his/her proxy for two consecutive times, he/she shall be deemed to be unable to perform his/her duties, and the Board shall propose to the shareholders' general meeting to dismiss him.

**Article 25** Matters that need to be submitted to the Board for consideration by the Company's operation management headed by the general manager shall be sent to the secretary to the Board 15 days in advance, and the relevant information shall be prepared in advance. The viewpoints of the meeting materials shall be clear, the reasons shall be sufficient and the data shall be true.

~~The materials submitted by the operation executives to the Board for deliberation shall be signed by the general manager or senior management personnel and affixed with the company seal before being submitted to the Board secretary for distribution and soliciting opinions from all directors.~~

### **CHAPTER 76 CONVENING OF THE BOARD MEETINGS**

**Article 26** The Board meeting shall be held upon the attendance of more than half of all directors.

~~Article 29 Attending Supervisors may put forward inquiries or suggestions on the matters to be resolved by the Board.~~

**Article 27** The Board meeting shall be attended by directors in person. The director unable to attend for certain reason may appoint another director to attend the meeting in a written form. The power of attorney shall clearly state the proxy's name, the matters of proxy, the authority and the validity period, and shall be signed and sealed by the principal. The director who attends the meeting on behalf of another director shall exercise the rights of directors within the authority. The director not attending the Board meeting and not entrusting a representative to attend the meeting shall be deemed to have waived the right to vote at the meeting.

The following principles shall be followed for entrusting and accepting entrustment to attend Board meetings:

- (I) when considering connected transactions, a non-connected director may not entrust a connected director to attend on his behalf, nor shall a connected director accept the entrustment of non-connected director;
- (II) the independent director shall not entrust a non-independent director to attend on his behalf, nor shall the non-independent director accept the entrustment of an independent director;
- (III) a director shall not give any other director carte blanche to attend the meeting on his behalf without providing his own opinions and voting intent on the resolutions, and the relevant director shall also not accept the carte blanche or any appointment not well defined;
- (IV) one director shall not accept appointment by more than two directors, and a director shall also not appoint any other director who has been appointed by two other directors to attend the meeting on their behalf.

### **CHAPTER 87 CONSIDERATION OF THE BOARD RESOLUTIONS**

**Article 28** The Board shall consider the resolutions in accordance with the procedures on an item-by-item basis.

**Article 29** The directors shall fully promote democracy, seek truth from facts, speak freely when considering resolutions or discussing issues, and shall fully express their opinions on each resolution based on the principle of being responsible to all shareholders.

**Article 30** On the basis of full discussion, the chairman of the Board or the chairperson of the Board meeting shall make a summary speech.

**Article 31** The Board shall adopt a registered voting system.

~~Article 35 If attending Supervisors discover violations of regulations or matters that are temporarily inappropriate for decision-making during the meeting, they may express their opinions at the meeting.~~

**Article 32** Based on the resolutions considered and approved at the meeting, Board resolutions shall be formed. After signed by all directors attending the meeting, the secretary to the Board shall issue to the general manager of operation management for compliance by way of Board documents. When the Board resolutions encounter significant issues in the course of implementation, the general manager of operation management shall promptly report to the chairman of the Board and, if necessary, form a written report, which shall be submitted by the secretary to the Board to the chairman of the Board, who shall decide whether to submit such report to the Board for further review.

**Article 33** Each director shall have one vote on the resolutions of the Board.

**Article 34** A resolution made by the Board shall be adopted by more than half of all directors. If the Articles of Association of the Company have higher requirements for resolutions on special matters, such requirements shall prevail.

**Article 35** On the premise of ensuring that the directors can fully express their opinions, resolutions of extraordinary Board meetings may be made through communication methods such as video conferencing, telephone and fax, and shall be signed by the directors attending the meeting.

**Article 36** When voting on a connected matter at a Board meeting, a director who is related to the connected matter under consideration shall not exercise his voting rights on the resolution, nor shall he exercise his voting rights on behalf of other directors; other informed directors shall also have the obligation to request the abstention of the related director if he does not voluntarily request such abstention. The Board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution of the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the Board meeting is smaller than 3, the relevant proposal shall be submitted to the shareholders' general meeting for consideration.

**Article 37** Directors, ~~attending Supervisors~~, senior management personnel attending the meeting, and staff engaged in meeting affairs shall strictly keep the content of the meeting confidential.

## CHAPTER 98 BOARD RESOLUTIONS

**Article 38** Matters determined in a Board meeting shall be recorded in minutes of meetings, which shall be complete and true. Minutes of meetings shall be signed by directors, secretary to the Board and the recorder attending to the Board meeting. Directors attending the meeting shall have the right to request to record in the minutes details of the speech made by them at the meeting. The minutes of the board meeting shall be kept as important cCompany's files by the secretary to the Board for a period of not less than ten years.

**Article 39** The minutes of the Board meeting shall include the following:

- (I) date and place of the meeting and the name of the convener;
- (II) names of the directors attending the meeting and names of the directors (proxies) appointed by others to attend the Board meeting;
- (III) agenda of the meeting;
- (IV) main points of the speeches of the directors;
- (V) method and results of the voting for each proposal (the voting results shall state the numbers of votes for or against the proposal or abstention).

**Article 40** Directors shall sign the Board resolution and be responsible for the resolution of the Board. If a Board resolution violates laws, regulations or the Articles of Association of the Company and causes losses to the Company, the directors who participated in the resolution shall be liable for compensation to the Company. Directors who have been proved as having expressed dissenting opinions on the resolution during the voting as recorded in the minutes of meeting shall be exempted from liability.

## CHAPTER 109 SUPPLEMENTARY PROVISIONS

**Article 41** Matters not covered by these Rules shall be handled in accordance with relevant national laws, regulations and the Articles of Association of the Company.

**Article 42** These Rules shall be interpreted by the Board.

**Article 43** These Rules shall come into force on the date of adoption by the resolution of the shareholders' general meeting.

Xinte Energy Co., Ltd.  
May 2015December 2025

**XINTE ENERGY CO., LTD.**  
**RULES OF PROCEDURE FOR THE SHAREHOLDERS' GENERAL MEETING**

**Chapter 1 GENERAL**

**Article 1** In order to regulate the conduct of the Company and ensure the lawful exercise of powers by the shareholders' general meeting, these Rules of Procedure are formulated in accordance with the Company Law of the People's Republic of China (the “**Company Law**”), the Securities Law of the People's Republic of China (the “**Securities Law**”), the Rules for General Meetings of Listed Companies (the “**General Meeting Rules**”), the Interim Measures for the Administration of Overseas Securities Issuance and Listing by Domestic Enterprises, The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and the Articles of Association of Xinte Energy Co., Ltd. (the “**Articles of Association**”) and other relevant laws and regulations.

**Article 2** The Company shall convene a shareholders' general meeting in strict accordance with the relevant provisions of laws, administrative regulations, the Rules for General Meetings, securities regulatory rules of the places where the Company's stocks are listed, and the Articles of Association and these Rules of Procedure, so as to ensure that shareholders can exercise their rights legally.

**Article 3** The board of directors shall conscientiously perform its duties and diligently organize shareholders' general meetings in a timely manner. The directors of the Company shall act with due diligence to ensure the proper convening of shareholders' general meetings and the lawful exercise of their powers.

The shareholders' general meeting shall exercise its powers within the scope prescribed by the laws and regulations such as the Company Law, securities regulatory rules of the places where the Company's stocks are listed and the Articles of Association of Xinte Energy Co., Ltd.

These Rules of Procedure shall be binding upon all shareholders of the Company and all the persons attending shareholders' meetings.

**Article 4** The Company shall engage lawyers to attend the shareholders' general meeting and issue a legal opinion on the following issues:

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

- (II) the legality and validity of the qualifications of the attendees and the convenor of the meeting;
- (III) the legality and validity of the voting procedures and voting results;
- (IV) legal opinions issued on other related matters as requested by the Company.

## **CHAPTER 2 POWERS AND DUTIES OF GENERAL PROVISIONS FOR THE GENERAL SHAREHOLDERS' MEETING**

**Article 5 General meeting**—The shareholders' general meeting of the Company shall be composed of all shareholders. The shareholders' general meeting is the supreme authority of the Company and shall legally exercise the following powers:

- (I) to determine the business policies and investment plans of the Company;
- (II) elect and replace directors who are not employee representatives, and determine matters concerning the remuneration of directors;
- (III) review and approve the reports of the board of directors;
- (IV) to consider and approve the report of the Board of Supervisors;
- (V) to consider and approve the annual financial budgets and final accounts of the Company;
- (VI) review and approve the company's profit distribution plan and loss compensation plan;
- (VII) make resolutions on increasing or decreasing the company's registered capital;
- (VIII) make resolutions on the company's merger, division, dissolution, liquidation, or change of corporate form;
- (IX) make resolutions on the company's issuance of company's bonds;
- (X) amend the Articles of Association;
- (XI) resolve on the engagement or termination of accounting firms;

(IXXH) review and approve guarantee matters stipulated in the Articles of Association;

(XIII) ~~to consider and approve the purchase and sale of major assets exceeding 50 million or the value of which accumulated exceeding 10% of the total assets of the Company as shown in the latest audited financial statements of the Company; review matters involving the Company's purchase or sale of significant assets within one year, or the provision of guarantees to others, where the amount exceeds 30% of the Company's most recent audited total assets;~~

(XIV) review and approve changes in the use of raised funds;

(XIV) review equity incentive plans and employee stock ownership plan;

(XIV) review laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company's shares are listed or other matters which should be decided by the shareholders' general meeting as stipulated in the Articles of Association.

The shareholders' general meeting may authorize or delegate the board of directors to handle matters within its authorized or delegated scope. Matters stipulated by laws, regulations, and the Articles of Association which require decision by the shareholders' meeting must be deliberated by the shareholders' general meeting so as to safeguard shareholders' decision-making rights over such matters.

**Article 6** The following external guarantee activities of the Company shall be reviewed and approved by the board of directors before being submitted to the shareholders' general meeting for approval:

(I) Guarantees where the single guarantee amount exceeds 10% of the Company's most recent audited net assets;

(II) Any guarantee provided after the aggregate external guarantees of the Company and its controlled subsidiaries exceed 50% of the Company's most recent audited net assets;

(III) Guarantees provided for a guaranteed party with a debt-to-equity ratio exceeding 70%;

(IV) Guarantees exceeding 30% of the Company's most recent audited total assets over a consecutive 12-month period;

(V) Guarantees exceeding 50% of the Company's most recent audited net assets over a consecutive 12-month period, with an absolute amount exceeding RMB30 million;

(VI) Guarantees provided to shareholders, actual controllers and their related parties;

(VII) Other guarantee scenarios stipulated in the Articles of Association.

The term “external guarantees” as used in these Rules of Procedure refers to guarantees provided by the Company for others, including guarantees provided by the Company for its controlled subsidiaries. The term “total external guarantees of the Company and its controlled subsidiaries” refers to the sum of the Company’s total external guarantees (including guarantees provided by the Company for its controlled subsidiaries) and the total external guarantees of the Company’s controlled subsidiaries.

**Article 7** Where the Company provides guarantees for connected persons, such guarantees shall be based on reasonable commercial logic and submitted to the shareholders’ general meeting for consideration. Where the Company provides guarantees for controlling shareholders, actual controllers, and their connected parties, the controlling shareholders, actual controllers and their connected parties shall provide counter-guarantees.

When the shareholders’ general meeting considers on a guarantee proposal provided for shareholders, actual controllers and their related parties, the shareholder concerned or any shareholder controlled by such actual controller shall not participate in the vote on that matter. Such vote shall be approved by a majority of the voting rights held by other shareholders present at the meeting.

**Article 8** The Company or its subsidiary shall not provide gifts, loans, guarantees, or other financial assistance to facilitate the acquisition of shares in the Company or its parent company by others, except where the Company implements an employee stock ownership plan.

For the benefit of the Company, upon resolution of the shareholders’ general meeting or resolution of the board of directors made in accordance with the articles of association or authorization from the shareholders’ meeting, the company may provide financial assistance to others for acquiring shares of the company or its parent company. However, the cumulative total amount of such financial assistance shall not exceed ten percent of the total issued share capital. A resolution made by the board of directors shall be approved by a majority of two-thirds or more of all directors.

**Article 9** Authorizations granted by the shareholders’ general meeting to the board of directors shall be approved by a majority of more than half of the voting rights held by shareholders (including proxies) present at the meeting if the authorized matters constitute

ordinary resolution matters; if they constitute special resolution matters, they shall be approved by a majority of more than two-thirds of the voting rights held by shareholders (including proxies) present at the meeting. The content of the authorization shall be clear and specific.

### **CHAPTER 3 CONVENING OF THE SHAREHOLDERS' GENERAL MEETING**

**Article 10** The shareholders' general meeting shall generally be convened by the Board in accordance with the law. The Board~~and~~ shall be convened timely convene a shareholders' general meeting within the period specified in these Rules.

**Article 11** The shareholders' general meetings are divided into regular shareholders' general meetings (i.e. annual) and extraordinary shareholders' general meetings. The annual general meetings shareholders' shall be held within six months after the end of the last accounting year, and the meeting shall be held on a yearly basis.

**Article 12** The Company shall convene an extraordinary shareholders' general meeting within two months after the occurrence of any one of the following events:

- (I) when the number of directors is less than the quorum prescribed by the Company Law or less than two-thirds of the quorum required by these Articles of Association;
- (II) when the unrecovered loss of the Company is higher than one-third of the total paid-up capital;
- (III) when shareholders individually or collectively holding 10% or more of the shares of the Company make a written request; ;
- (IV) when the Board considers it necessary;
- (V) when the audit committee proposes to convene;
- (VI) other circumstances stipulated by laws, administrative regulations and departmental regulations or these Articles of Association.

Above-mentioned number of shares in item (III) shall be calculated according to the date of written request made by shareholders.

**Article 13** The independent non-executive directors have the right to propose the Board to convene extraordinary shareholders' general meeting and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary shareholders' general meeting within ten days upon receiving the proposal from the independent non-executive directors in accordance with the requirements of the laws, administrative regulations and these Articles of Association.

If the Board agrees to convene the extraordinary shareholders' general meeting, the notice of convening the extraordinary shareholders' general meeting shall be issued within five days after a resolution is reached. If the Board does not agree to convene such extraordinary shareholders' general meeting, reasons written feedback shall be explained provided to the independent Directors.

**Article 14** The audit committee Board of Supervisors has the right to propose the Board to convene extraordinary shareholders' general meeting and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary shareholders' general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, and these Articles of Association.

If the Board agrees to convene the extraordinary shareholders' general meeting, the notice of convening the extraordinary general meeting shall be issued within five days after a resolution is reached. Should there be alterations to the original requests in the notice, consent has to be obtained from the audit committeeBoard of Supervisors.

If the Board does not agree to convene the extraordinary shareholders' general meeting or does not reply within ten days upon receiving the request, the Board will be considered as unable or refused to fulfill the obligation to convene a shareholders' general meeting and the audit committeeBoard of Supervisors may convene and preside over the meeting on its own initiative.

**Article 15** A shareholder holding, or shareholders holding in aggregate, 10% or more of the shares of the Company shall have the right to propose the Board to convene extraordinary shareholders' general meetings and such proposal shall be made in writing. The Board shall reply in writing regarding the acceptance or refusal to convene an extraordinary shareholders' general meeting within ten days upon receiving the proposal in accordance with the requirements of the laws, administrative regulations, and these Articles of Association.

If the Board agrees to convene the extraordinary shareholders' general meeting, the notice of convening the extraordinary shareholders' general meeting shall be issued within five days after a resolution is reached. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.

If the Board does not agree to convene the extraordinary shareholders' general meeting or does not reply within ten days upon receiving the request, a shareholder holding, or shareholders holding in aggregate, 10% or more of the shares of the Company shall have the right to propose the audit committee~~Board of Supervisors~~ to convene an extraordinary shareholders' general meeting by way of written request(s).

If the audit committee~~Board of Supervisors~~ agrees to convene the extraordinary shareholders' general meeting, the notice of convening the extraordinary general meeting shall be issued within five days upon receiving the request. Should there be alterations to the original requests in the notice, consent has to be obtained from the relevant shareholders.

If the audit committee~~Board of Supervisors~~ does not issue notice of the shareholders' general meeting within the specified period, it will be considered as not going to convene and preside over the shareholders' general meeting, and shareholders individually or jointly holding 10% or more of the shares of the Company for 90 or more consecutive days shall have the right to convene and preside over the meeting on their own initiative.

**Article 16** The audit committee or ~~s~~Shareholders shall notify the Board in writing if they decide to convene the shareholders' general meeting on their own initiative.

The shareholder(s) convening the shareholders' general meeting must hold no less than 10% of shares in the Company before the resolution of such meeting is made announced.

**Article 17** With regard to the shareholders' general meeting convened by the audit committee~~Board of Supervisors~~ or shareholders on their own initiative, the Board and the secretary to the Board shall provide assistance. The ~~Board shall provide the register of shareholders on the record date of equity interests. The register of shareholders obtained by the convener shall not be used for any purpose other than convening the general meeting.~~

**Article 18** With regard to the shareholders' general meeting convened by the audit committee or the shareholders on their own initiative, the necessary expenses incurred in relation to the meeting shall be assumed by the Company.

**CHAPTER 4 PROPOSALS AND NOTICES OF THE SHAREHOLDERS' GENERAL MEETING**

**Article 19** The content of such proposals shall be within the scope of the terms of reference of a shareholders' general meeting, and contains specific subjects and concrete matters for approval, and in accordance with the requirements of laws, administrative regulations and relevant requirements in these Articles of Association. A proposal to a shareholders' general meeting must be submitted or delivered in writing to the Board.

**Article 20** When the Company holds a shareholders' general meeting, the Board, the Audit Committee and shareholders who individually or jointly hold 31% or more of the shares of the Company are entitled to put forward a proposal to the Company.

Shareholders individually or jointly holding 1% or more of the shares of the Company can put forward a temporary proposal ten days before the general meeting is held and submit the proposal in writing to the convener. The convener shall issue a supplemental notice within two days upon receiving such proposals and the temporary proposals shall be specified in such notice, and submit the same to the shareholders' general meeting for consideration. Unless the temporary proposal is in violation of any law, administrative regulation or the Articles of Association or fails to fall into the scope of functions of the shareholders' general meeting.

Except for the circumstances prescribed in the preceding paragraph, the convener shall not change the proposals in the notice of the shareholders' general meeting or add new proposals after sending the notice of the shareholders' general meeting.

The shareholders' general meeting shall not vote or resolve on proposals not contained in the notice of the shareholders' general meeting or not in compliance with the Rules.

**Article 21** When the Company convenes an annual shareholders' general meeting, a notice shall be given to the shareholders 210 days before the meeting in writing; when the Company convenes an extraordinary shareholders' general meeting, a notice shall be given to the shareholders 15 days before the meeting by means of public announcement in writing.

When calculating the starting date of the periods, the date of such announcement and the date of the meeting shall be excluded

**Article 22** The Shareholders' General meeting shall not decide matters that are not set out in the notice. If the Company is unable to convene a shareholders' general meeting within the prescribed period, it shall disclose the reason and the follow-up plan before the expiration.

**Article 23** The notice of a shareholders' general meeting shall satisfy include the following requirementscontents:

- (I) It shall be made in written form;
- (II) It shall specify t~~he~~ time, location and time limit of the meeting;
- (III) It shall set out t~~he~~ items and proposals to be reviewed at the meeting;
- (IV) It shall specify with clear note: all shareholders are entitled to participate in the shareholders' general meeting and authorize a proxy in writing to attend the meeting and vote. The Proxy of the shareholder does not have to be a shareholder of the Company;
- (V) It shall set out t~~he~~ record date of shareholders entitled to attend the general meeting;
- (VI) It shall set out the time and place of the delivery of power of attorney;
- (VII) ~~The names and telephone numbers of the contact persons in connection with the general meeting.~~

The notice and the supplementary notice of the shareholders' general meeting shall fully and completely disclose the specific content of all the proposals, ~~and all data or explanations needed by shareholders to make wise decisions for items to be discussed~~. In the event that advice from the independent non-executive Directors is needed for the matters to be discussed, the advice and reasons of the independent non-executive Directors shall be disclosed when the notice or the supplementary notice of the shareholders' general meeting is issued.

**Article 24** ~~The interval between the share registration date and the meeting date shall be no more than 7 working days. The share registration date shall not be changed once confirmed. 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.~~

**Article 24** ~~The notice of the general meeting shall be given in case the general meeting plans to discuss the election of directors and supervisors.~~

**Article 25** After issuing a notice of shareholders' general meeting, the shareholders' general meeting shall not be delayed or canceled without justified reasons, and proposals listed in the notice shall not be called off. Once delay or cancellation occurs, the convener shall make announcement and explanation to shareholders at least two working days before the original convening date.

## CHAPTER 5 HOLDING OF THE SHAREHOLDERS' GENERAL MEETING

**Article 26** The place for holding the Company's shareholders' shall hold the general meeting shall be at the registered office of the Company or other place as determined by the Board.

The shareholders' general meeting shall be held in the form of an on-site meeting. The Company will also provide may adopt safe, economical and convenient internet or other methods such as communication means to facilitate the shareholders to participate in the shareholders' general meeting. Shareholders shall be deemed to have attended the shareholders' general meeting by way of the aforesaid methods.

~~In the event where the internet or other means will be adopted at the general meeting, the time and procedures for voting via internet or by other means shall be clearly stated in the notice of the general meeting.~~

**Article 27** The Board and any other convener shall take necessary measures to ensure the proper order of the shareholders' general meeting. The Board or any other convener shall take measures to stop any act disturbing the shareholders' general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.

**Article 28** All shareholders or their proxies whose names are set out in the register of shareholders on the share registration date are entitled to attend the shareholders' general meeting, and exercise voting rights in accordance with relevant laws, regulations and the Articles of Association~~the Company and the convener shall not reject their attendance for any reason.~~

Shareholders may attend the shareholders' general meeting and exercise voting rights in person or appoint their proxies to attend the shareholders' general meeting on their behalf and exercise the voting rights within the scope of authorization.

**Article 29** An individual shareholder shall attending the shareholders' general meeting in person shall produce with his/her identity card or other valid document or certificate which can prove his/her identity; ~~The if a proxy is appointed to attend the meeting, the proxy shall produce shall also produce the power of attorney issued by the shareholder and his/her own valid identity documents and the power of attorney issued by the shareholder.~~

A corporate shareholder shall attend the meeting by its legal representative or a proxy appointed by the legal representative. If the legal representative attends the meeting, he/she shall produce his/her ~~valid identification document or certificate, identity card and valid proof evidencing his/her capacity as a legal representative, and corporate representative certificate~~; if a proxy is appointed to attend the meeting, the proxy shall also produce his/her ~~valid identification document or certificate identity card and a the written power of attorney issued by the legal representative of the corporate shareholder according to law~~.

~~A natural person shareholder who attends the meeting in person shall produce his/her valid identification document or certificate; if a proxy is appointed to attend the meeting, the proxy shall also produce his/her valid identification document or certificate and a written power of attorney issued by the shareholder according to law. If the shareholder is a recognized clearing house (or its nominee) as defined in the relevant ordinances formulated in Hong Kong from time to time, the shareholder may authorize one or more persons as it thinks fit to act as its proxy at any shareholders' general meeting or any class shareholders' general meeting; provided that if more than one person is so authorized, the power of attorney shall specify the number and class of shares concerning which each such person is so authorized. The power of attorney shall be signed by the authorized personnel of the recognized clearing house. The person so authorized may represent the recognized clearing house (or its nominee) to attend the meeting (without producing holding certificates, notarized power of attorney and/or further evidence to prove that he/she is duly authorized) to exercise the rights, as if that person were an individual shareholder of the Company.~~

**Article 30** Shareholders shall appoint a proxy in writing. The power of attorney issued by a shareholder to entrust a proxy to attend the shareholders' general meeting shall contain the following:

- (I) the name of the ~~consignor or entity, the class and number of shares held in the Company, and the name of the proxy and the number of his/her valid identification document;~~
- (II) ~~whether the proxy has voting rights or not;~~

~~(III)(II) specific instructions from the shareholder, including the instructions to vote in favor of, vote against or abstain from voting in respect of each item of deliberation listed in the agenda of the shareholders' general meeting , etc.;~~

~~(IV)(III) date and effective period of the power of attorney;~~

~~(V)(IV) consignor's signature (or chop). If the consignor is a corporate shareholder, the document shall be stamped with the corporate seal.~~

~~The power of attorney shall specify that in the absence of specific instructions from the shareholder, the proxy may vote as he/she thinks fit. If the power of attorney does not specify the proxy's voting instructions, the Company may deem it as a discretionary proxy, and the shareholders' proxies may vote on the matters considered at the meeting as he/she thinks fit. The power of attorney for voting by proxy shall be placed at the registered office of the Company or other location specified in the notice of the meeting at least twenty-four (24) hours before the commencement of the relevant meeting to which such power of attorney relates to voting, or twenty-four (24) hours prior to the designated voting time.~~

**Article 31** If the power of attorney for voting by proxy is signed by other personnel authorized by the consignor, the power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents, together with the proxy form for voting, shall be placed at the registered office of the Company or other location specified in the notice of the meeting. Where the relevant stock exchange(s) where shares of the Company are listed or regulatory authorities provide otherwise, such provisions shall prevail.

**Article 32** The format of power of attorney appointing the proxy sent to shareholders by the Board ~~or other decision-making body~~ of the Company shall enable shareholders to freely instruct the authorized agent to vote for, against or abstain from voting, and separate instructions being given in respect of each matter to be voted at the meeting.

**Article 33** If the consignor has deceased, has been incapacitated, has withdrawn the appointment, ~~or has withdrawn the authorization for signing the appointment or relevant shares have been transferred before the voting, the vote made by the shareholder's proxy according to the power of attorney is still valid, provided that the Company has not received a written notice in respect of such matters before the beginning of the relevant meeting before the voting, the proxy shall attend the general meeting of the Company as a representative.~~

**Article 34** The meeting attendance lists shall be prepared by the Company. The register of attendance shall include participants' (or entities') names, identity card numbers, shares held or represented carrying voting rights, the appointer's (or entities') names, etc.

**Article 35** The convener and the lawyers appointed by the Company shall jointly verify the legal eligibility of the shareholders based on the register of shareholders provided by the securities registration and clearing institution, and register the name of the shareholders or entities and the number of shares with voting rights in their possession. Before the chairman of the meeting declares the number of shareholders and proxies present at the meeting as well as the total number of shares with voting rights in their possession, registration for the meeting shall be ended.

**Article 36** In convening a shareholders' general meeting, all directors , supervisors and the secretary to the Board shall attend the meeting in person, and the general manager and other senior management shall attend the meeting as non-voting participants.

**Article 37** The shareholders' gGeneral meeting shall be presided over by the chairman of the Board. Should the chairman be unable or fails to perform his duties, the meeting shall be presided over by a director jointly elected by half or more members of the Board. If half or more members of the Board are still unable to elect a chairman, a shareholder shall be jointly elected by the shareholders present at the meeting to preside over the meeting. If for any reason, the shareholder so elected cannot preside over the meeting, it shall be presided over by the shareholder (or proxy) holding the largest number of shares with voting rights present at the meeting.

The shareholders' general meeting convened by the audit committee~~Board of Supervisors~~ shall be presided over by the convenere~~chairman~~ of the audit committee~~Board of Supervisors~~. If the convenere~~chairman~~ of the audit committee~~Board of Supervisors~~ cannot perform or fails to perform his/her duties, a members~~supervisor~~ shall be jointly elected by half or more members of the audit committee ~~of the supervisors~~ to chair the meeting.

Shareholder(s) may convene the shareholders' general meeting themselves and the convener(s) or a representative nominated by the convener(s) shall preside over the meeting.

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

**Article 38** The Board and the board of supervisors shall report their work in the preceding year at the annual shareholders' general meeting and the independent directors shall also make their work reports.

**Article 39** Directors, ~~supervisors~~ and the senior management should respond and explain to the enquiries and advice of shareholders at the shareholders' general meeting.

**Article 40** The Chairman of the meeting should announce the number of shareholders and proxies present at the venue of the meeting and the total shares held by them with voting rights, and the number of shareholders and proxies present at the venue of meeting and the shares held by them with voting rights shall be the number recorded in the register of the meeting.

**Article 41** The convener shall ensure the general meeting is held continuously until final resolutions are arrived at. If the general meeting is terminated or fails to reach any resolution due to force majeure or for other special reasons, necessary measures shall be taken to resume the general meeting as soon as possible or directly terminate the current shareholders' general meeting.

## CHAPTER 6 VOTING AND RESOLUTIONS OF THE SHAREHOLDERS' GENERAL MEETING

**Article 42** Resolutions of the shareholders' general meeting can be divided into ordinary resolutions and special resolutions.

An ordinary resolution of a shareholders' general meeting can only be approved with half or more of the votes of shareholders (including their proxies) who participate in the meeting.

A special resolution of a shareholders' general meeting can only be approved with two-thirds or more of the votes of shareholders (including their proxies) who participate in the meeting.

**Article 43** The following issues shall be approved by ordinary resolutions at a shareholders' general meeting:

- (I) ~~work reports of the Board and the Board of Supervisors;~~
- (II) ~~profit distribution plan and plan for making up losses prepared by the Board;~~
- (III) ~~appointment and removal of the members of the Board and the Board of Supervisors, their remunerations and the method of payment thereof;~~
- (IV) ~~annual budget plan and final accounting plan of the Company;~~
- (V) ~~annual report of the Company;~~

~~(VI)~~ other issues apart from those that should be approved by special resolutions in accordance with the requirements of laws, administrative regulations, the listing rules of the stock exchange where the Company's shares are listed or provisions of the Articles of Association.

**Article 44** The following issues shall be approved by special resolution at a shareholders' general meeting:

- (I) increasing or reducing registered capital of the Company;
- (II) division, merger, dissolution and liquidation of the Company;
- (III) amendment of the Articles of Association;
- (IV) any purchase or disposal of substantial assets made or guarantee provided by the Company within one year exceeding 30% of the total assets as presented in the latest audited total assets of the Company;
- (V) the equity incentive scheme;
- ~~(VI) the issuance of corporate bonds;~~
- (VI) other issues prescribed in laws, administrative regulations or the Articles of Association and considered by the shareholders' general meeting by means of ordinary resolution to be significantly influential to the Company and shall be approved by means of special resolution.

**Article 45** Shareholders (including their proxies) shall exercise voting power with the number of voting shares represented by them, and each share has one vote.

The Company's shares held by the Company do not have voting rights, and such shares are not counted in the total number of shares that have voting power upon attendance at a shareholders' general meeting.

The Board, independent non-executive directors and shareholders conforming to relevant prescribed conditions of the Company can solicit shareholders' voting rights.

~~When a shareholder has a connected relationship with a connected matter to be considered at the general meeting, he/she shall abstain from voting, and the shares he/she holds with voting rights shall not be counted in the total number of shares with voting rights present at the general meeting.~~

The procedures for the abstention and voting of connected shareholders are as follows:

(I) ~~If a matter to be considered at the general meeting constitutes a connected transaction, the convener shall notify the connected shareholder in advance, and the connected shareholder shall also notify the convener in advance.~~

(II) ~~When the shareholders' general meeting considers connected transactions is convened, the connected shareholder shall submit an application voluntarily apply for abstention to the chairman of the meeting and the chairman of the meeting shall announce it to the meeting; the non-connected shareholders (including proxies) present at the meeting and members of the Audit Committee present at the meeting shall have the right to submit a request to the chairman of the meeting for, and other shareholders shall also have the right to request the convener to require the connected shareholder to abstain from such voting and stating the reasons. The convener shall examine whether the shareholder is a connected shareholder and whether the shareholder shall abstain in accordance with relevant regulations. If the connected shareholder requested to abstain does not objects to the request for abstention convener's decision, he/she shall not vote on that resolution; if the shareholder requested to abstain considers that he/she is not a connected shareholder and is not required to abstain, he/she shall explain the reasons to the shareholders' general meeting, and it shall be determined by the members of the Board and Audit Committee present at the meeting in accordance with the Articles of Association and other relevant regulations. If the shareholder requested to abstain is determined to be a connected have the right to report to the relevant securities regulatory authority, or apply to a people's court for a ruling on whether a connected relationship exists and whether he/she has the right to vote. Before the securities regulatory authority or a people's court makes a final and valid ruling, the shareholder, he/she shall not vote on that resolution participate in the voting, and the number of voting shares represented by him/her shall not be counted in the total number of valid votes. The resolution of the shareholders' general meeting shall fully disclose the voting status of the non-connected shareholders.~~

~~(IV) The connected shareholder who should abstain may participate in the discussion of The resolution concerning the connected transaction shall be approved by the non-connected shareholders holding more than half of the voting rights present at the shareholders' general meeting; if the connected transaction involves a matter required to be approved by a special resolution under these Rules of Procedure, the resolution shall be approved by the non-connected shareholders holding more than two-thirds of the voting rights present at the shareholders' general meeting involving him/her, and may make explanations and clarifications to the general meeting regarding the reasons for the connected transaction, the basic information of the transaction, and whether the transaction is fair and legal.~~

**Article 46** Without a prior approval by way of special resolution is obtained in a shareholders' general meeting, the Company shall not enter into any contract with any person other than the directors, general managers and other senior management whereby the management and administration of the whole or any substantial part of the business of the Company is to be handed over to such person, save for special circumstances such as the Company is in a crisis.

**Article 47** List of candidates for directors and supervisors shall be submitted in the form of proposals to the shareholders' general meeting for vote.

~~The method and procedure for nominating directors and supervisors~~ When the shareholders' general meeting votes on the election of directors, cumulative voting system may be implemented in accordance with the provisions of the Articles of Association or the resolution of the shareholders' general meeting.

The term "cumulative voting system" mentioned in the preceding paragraph refers to the system where, when the shareholders' general meeting elects directors, each share has the same number of voting rights as the number of directors to be elected, and the voting rights owned by the shareholder may be used collectively.

**Article 48** Apart from the cumulative voting system, the shareholders' general meeting shall vote on all proposals individually. If one matter has different proposals, they shall be voted in the chronological order of the proposals being proposed. Except under special circumstances such as force majeure, leading to the suspension or inability to make resolutions at the shareholders' general meeting, the shareholders' general meeting shall not set aside the proposals and leave the proposals undecided.

**Article 49** No amendment shall be made on the proposals during their consideration at a shareholders' general meeting. Any such amendments to a proposal shall be deemed as a new proposal and shall not be voted at the current shareholders' general meeting.

**Article 50** The voting method of disclosed ballot shall be adopted at the shareholders' general meeting.

**Article 51** Shareholders attending the shareholders' general meeting shall submit their votes on the proposals submitted in the following ways: for, against or abstain, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Mainland-Hong Kong stock connect, may express opinions according to the intentions of actual holders.

Ballot papers that are left in blank, unduly completed or illegible or that have not been used, are deemed as void votes to mean that the voter has waived his/her voting rights, and the voting results corresponding to the shares in their possession shall be treated as "Abstain from voting".

Where the rules of the securities regulatory authority in the place where the Company's shares are listed require any shareholder is, under the rules, required to abstain from voting on any particular resolution or restricted to voting only in favor of (or only against) any particular resolution, any votes cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted.

**Article 52** Two representatives of shareholders shall be elected to participate in counting and scrutinizing ballots before a shareholders' general meeting puts a proposal to vote. Where a shareholder has a connected relationship to matters to be considered, relevant shareholders and their proxies must not participate in counting and scrutinizing ballots.

When a proposal is voted at a shareholders' general meeting, lawyers and shareholders' representatives and supervisors' representatives shall be jointly responsible for counting and scrutinizing ballots, and the voting results shall be announced on site, and the voting results of the resolutions shall be recorded in the minutes of the meeting.

Shareholders of the Company or their proxies who cast their votes online or by other means shall have the right to check the results of their votes by way of the pertinent voting system.

**Article 53** If the chairman of the meeting has any doubt as to the result of a resolution which has been put to vote, he may have the votes counted. If the chairman of the meeting has not counted the votes, any shareholder who is present in person or by proxy and who objects to the result announced by the chairman of the meeting may, immediately after the declaration of the result, demand that the votes be counted and the chairman of the meeting shall have the votes counted immediately.

**Article 54** If the shareholders' general meeting counts the votes, the count result shall be recorded in the minutes of the meeting. The minutes of the meeting shall be kept at the registered office of the Company together with the book of signatures of the attending shareholders and the power of attorney of the attending proxies. If the general meeting is terminated or fails to reach any resolution due to force majeure or for other special reasons, immediate action shall be taken to resume the general meeting as soon as possible or directly terminate the general meeting.

**Article 55** The chairman of the meeting shall announce the voting results on each proposal at the meeting venue and whether the proposal is adopted based on the voting results.

Before the formal announcement of the voting results, the companies, tellers, scrutineers, substantial shareholders, ~~internet service provider~~, and other relevant parties involved in the on-site voting, ~~the internet~~ and other means of voting shall be under confidentiality obligation in relation to the voting at the shareholders' general meeting.

**Article 56** Any resolution of the shareholders' general meeting shall indicate the number of shareholders and proxies present at the meeting, the total number of voting shares they hold and its proportion to the total voting shares of the Company, the methods of voting, the voting results of each proposal as well as the details of each resolution adopted.

**Article 57** In the event a proposal is not adopted, or the shareholders' general meeting makes any modification to any resolution adopted at the previous shareholders' general meeting, a specific indication shall be made in the minutes of the resolution of the shareholders' general meeting.

**Article 58** Where any proposal on the election of directors ~~or supervisors~~ is adopted at the shareholders' general meeting, new directors ~~or supervisors~~ shall take their posts after close of the shareholders' general meeting in accordance with the Articles of Association.

**Article 59** Should a shareholders' general meeting pass proposals regarding cash distribution, bonus issue or transfer of surplus reserve into share capital, the specific proposals shall be implemented within two months after the close of the shareholders' general meeting.

**Article 60** The shareholders' general meetings shall have minutes, which shall be recorded by the secretary to the Board. The minutes of the meeting shall specify:

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

- (II) the names of the chairman, and the directors, ~~supervisors, secretary to the Board,~~ general manager and other senior management attending or present at the meeting;
- (III) the number of shareholders and proxies attending the meeting, the total number of voting shares they represent and the proportion of these shares to the total number of shares of the Company;
- (IV) the process of discussion in respect of each proposal, highlights of speeches and the voting result;
- (V) details of inquiries or suggestions of the shareholders, and the corresponding response or explanations;
- (VI) the names of lawyers, tellers and scrutineers;
- (VII) other contents that shall be recorded in the minutes in accordance with the Articles of Association.

The convener shall ensure that the content of the minutes of the meeting is true, accurate and complete. The attending directors, secretary to the Board, convener or representative thereof, and the chairman of the meeting, and the recorder shall sign the minutes of the meeting, and ensure that the content of the minutes is true, accurate and complete. The minutes of the meeting shall be kept for not less than ten years together with the book of signatures of the shareholders present in person, the power of attorney of the attending proxies, and valid information on voting ~~via the internet and other means~~.

**Article 61** The contents of a resolution of the shareholders' general meeting that violate the laws and administrative regulations shall be void.

Where the procedures for convening or the means of voting at a shareholders' general meeting violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders may submit a petition to a people's court to rescind such resolutions within 60 days from the date on which such resolution is made.

## **CHAPTER 7 SUPPLEMENTARY**

**Article 62** The expressions of "or more" and "within" shall include the figures mentioned whilst the expressions of "over", "less than", "more than" and "higher than" shall not include the figures mentioned.

**Article 63** In the event that the Rules are inconsistent with the relevant laws~~Company Law, the Securities Law and other laws~~, administrative regulations, the rules of the securities regulatory authority in the place where the Company's shares are listed or~~normative documents~~ and the Articles of Association, such laws and regulations or provisions shall prevail.

**Article 64** The interpretation of the Rules shall be an appendix to the Articles of Association, and the interpretation thereof shall be vested in the Board of the Company. The Rules shall take effect from the date of approval by the shareholders' general meeting of the Company.

**XINTE ENERGY CO., LTD.**

15 May 2015 December 2025

**APPENDIX II****PART TWO OF THE PROPOSED AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION**

Before amendments	After amendments
<p><b>Article 21</b> The Company's total share capital is 1,430,000,000 Shares, including 1,053,829,244 Domestic Shares, representing 73.69% of the total share capital; and 376,170,756 H Shares, representing 26.31% of the total share capital.</p> <p>Shareholders of Domestic Shares of the Company who convert all or part of their unlisted domestic shares into shares listed and traded on overseas stock exchange(s) shall conform to relevant regulations promulgated by the securities regulatory authorities of the State Council, and authorize the Company to file with the securities regulatory authorities of the State Council on their behalf. They shall also comply with the regulatory procedures, provisions and requirements of the overseas securities market. The conversion of unlisted domestic shares into overseas-listed shares for trading is not subject to the holding of a general meeting <u>or class shareholders' meeting for voting</u>. The overseas-listed shares converted from Domestic Shares shall be of the same class as the original overseas-listed shares.</p>	<p><b>Article 21</b> The Company's total share capital is 1,430,000,000 Shares, including 1,053,829,244 Domestic Shares, representing 73.69% of the total share capital; and 376,170,756 H Shares, representing 26.31% of the total share capital.</p> <p>Shareholders of Domestic Shares of the Company who convert all or part of their unlisted domestic shares into shares listed and traded on overseas stock exchange(s) shall conform to relevant regulations promulgated by the securities regulatory authorities of the State Council, and authorize the Company to file with the securities regulatory authorities of the State Council on their behalf. They shall also comply with the regulatory procedures, provisions and requirements of the overseas securities market. The conversion of unlisted domestic shares into overseas-listed shares for trading is not subject to the holding of a general meeting. The overseas-listed shares converted from Domestic Shares shall be of the same class as the original overseas-listed shares.</p>
<p><b>Article 69</b> An individual shareholder who attends the general meeting in person shall produce his identification documents or other valid document or certificate which can prove his identity; Where a proxy is appointed to attend the meeting, the proxy shall produce his own identification documents and the proxy form.</p> <p>...</p>	<p><b>Article 69</b> An individual shareholder who attends the general meeting in person shall produce his identification documents or other valid document or certificate which can prove his identity; Where a proxy is appointed to attend the meeting, the proxy shall produce his own identification documents and the proxy form.</p> <p>...</p>

**APPENDIX II****PART TWO OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

Before amendments	After amendments
<p>If the shareholder is a recognized clearing house (or agent thereof) as defined in the relevant ordinance as enacted from time to time of Hong Kong, the said shareholder may authorize one or more persons as he deems appropriate to act on his behalf at any general meetings <u>or class shareholders' meetings</u>; however, one or more persons are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons, The power of attorney shall be signed by an authorised person of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its agent) to attend the meeting and exercise its right as if the persons are individual shareholders of the Company, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/she/they has/have been duly authorised.</p>	<p>If the shareholder is a recognized clearing house (or agent thereof) as defined in the relevant ordinance as enacted from time to time of Hong Kong, the said shareholder may authorize one or more persons as he deems appropriate to act on his behalf at any general meetings; however, one or more persons are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons, The power of attorney shall be signed by an authorised person of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its agent) to attend the meeting and exercise its right as if the persons are individual shareholders of the Company, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/she/they has/have been duly authorised.</p>
<p><b>Article 71</b> A shareholder shall appoint the proxy in written form. The proxy letter issued by a shareholder to entrust a proxy to attend general meeting shall contain the following:</p> <p>(1) the name or title of the shareholder, the <u>class and</u> quantity of shares held in the company, the name of the proxy;</p>	<p><b>Article 71</b> A shareholder shall appoint the proxy in written form. The proxy letter issued by a shareholder to entrust a proxy to attend general meeting shall contain the following:</p> <p>(1) the name or title of the shareholder, the quantity of shares held in the company, the name of the proxy;</p>
<p><b>CHAPTER 4 SHAREHOLDERS AND GENERAL MEETING</b></p> <p><b>Section 7 Special Procedures for Voting by Class Shareholders</b></p>	Section 7 is entirely deleted

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## NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2025

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### NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2025

**NOTICE IS HEREBY GIVEN** that the fourth extraordinary general meeting of 2025 (the “EGM”) of Xinte Energy Co., Ltd. (the “Company”) will be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the People’s Republic of China (the “PRC”) on Tuesday, 30 December 2025 at 11:00 a.m. to consider and, if thought fit, approve the following resolutions.

#### ORDINARY RESOLUTIONS

1. To consider and approve the appointment of Mr. Hu Youcheng as a non-executive director of the Company.
2. To consider and approve the proposed abolishment of the Supervisory Board.

#### SPECIAL RESOLUTIONS

3. To consider and approve the Part One of the Proposed Amendments to the Articles of Association.
4. To consider and approve the Part Two of the Proposed Amendments to the Articles of Association.

By order of the Board  
**Xinte Energy Co., Ltd.**  
**Huang Hanjie**  
*Chairman*

Xinjiang, the PRC  
8 December 2025

## NOTICE OF THE FOURTH EXTRAORDINARY GENERAL MEETING OF 2025

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### Notes:

1. Unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 8 December 2025.
2. In order to determine the Shareholders who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025, both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Tuesday, 30 December 2025 shall be entitled to attend and vote at the EGM. In order for the Shareholders to qualify to attend and vote at the EGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's securities department office (in case of holders of domestic shares), at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC, or the Company's H share registrar (in case of holders of H shares), Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 22 December 2025 for registration.
3. Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the EGM (or any adjournment thereof) on his/her behalf. The proxy needs not be a Shareholder.
4. Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder or by a person duly authorized by the relevant Shareholder in writing ("power of attorney"). If the form of proxy is signed by the person authorized by the relevant Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate Shareholder appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate Shareholder or signed by its director or any other person duly authorized by that corporate Shareholder as required by the articles of association of the company.
5. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note 4 above must be delivered to the Company's securities department office at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC (for holders of domestic shares), or the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) no later than 24 hours before the time fixed for the EGM (i.e. no later than 11:00 a.m. on Monday, 29 December 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM if you so wish.
6. A Shareholder or his/her proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate Shareholder's legal representative or any other person duly authorized by such corporate Shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).
7. The EGM (or any adjournment thereof) is expected to take less than half a day. Shareholders or their proxies who attend the EGM (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.
8. The contact information of the securities department office of the Company is as follows:

Address: No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC  
Contact person: Ms. Zhang Juan  
Tel: +86-991-3665888

*As at the date of this notice, the Board consists of Mr. Huang Hanjie, Mr. Yang Xiaodong, Ms. Huang Fen and Mr. Hu Weijun as executive Directors; Mr. Zhang Xin as non-executive Director; and Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive Directors.*

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## NOTICE OF THE FIRST H SHARES SHAREHOLDERS CLASS MEETING OF 2025

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### NOTICE OF THE FIRST H SHARES SHAREHOLDERS CLASS MEETING OF 2025

**NOTICE IS HEREBY GIVEN** that the first H shares shareholders class meeting of 2025 (the “**H Shares Shareholders Class Meeting**”) of Xinte Energy Co., Ltd. (the “**Company**”) will be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the People’s Republic of China (the “**PRC**”) on Tuesday, 30 December 2025 at 11:30 a.m. (or immediately after the conclusion or adjournment of the fourth extraordinary general meeting of 2025 of the Company held on the same day, whichever is later) to consider and, if thought fit, approve the following resolution.

#### SPECIAL RESOLUTION

1. To consider and approve the Part Two of the Proposed Amendments to the Articles of Association.

By order of the Board  
**Xinte Energy Co., Ltd.**  
**Huang Hanjie**  
*Chairman*

Xinjiang, the PRC

8 December 2025

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## NOTICE OF THE FIRST H SHARES SHAREHOLDERS CLASS MEETING OF 2025

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*Notes:*

1. Unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 8 December 2025.
2. In order to determine the H Shares Shareholders who are eligible to attend and vote at the H Shares Shareholders Class Meeting, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025, both days inclusive, during which period no transfer of shares will be effected. H Shares Shareholders whose names appear on the register of members of the Company on Tuesday, 30 December 2025 shall be entitled to attend and vote at the H Shares Shareholders Class Meeting. In order for the Shareholders to qualify to attend and vote at the H Shares Shareholders Class Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 22 December 2025 for registration.
3. H Shares Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the H Shares Shareholders Class Meeting (or any adjournment thereof) on his/her behalf. The proxy needs not be a shareholder of the Company.
4. H Shares Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant H Shares Shareholder or by a person duly authorized by the relevant H Shares Shareholder in writing ("power of attorney"). If the form of proxy is signed by the person authorized by the relevant H Shares Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate H Shares Shareholder appoints a person other than its legal representative to attend the H Shares Shareholders Class Meeting (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate H Shares Shareholder or signed by its director or any other person duly authorized by that corporate H Shares Shareholder as required by the articles of association of the company.
5. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note 4 above must be delivered to the Company's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the time appointed for the H Shares Shareholders Class Meeting (i.e. no later than 11:30 a.m. on Monday, 29 December 2025) (or any adjournment thereof).
6. An H Shares Shareholder or his/her proxy should produce proof of identity when attending the H Shares Shareholders Class Meeting (or any adjournment thereof). If a corporate H Shares Shareholder's legal representative or any other person duly authorized by such corporate H Shares Shareholder attends the H Shares Shareholders Class Meeting (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).
7. The H Shares Shareholders Class Meeting (or any adjournment thereof) is expected to take 30 minutes. H Shares Shareholders or their proxies who attend the H Shares Shareholders Class Meeting (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.

*As at the date of this notice, the Board consists of Mr. Huang Hanjie, Mr. Yang Xiaodong, Ms. Huang Fen and Mr. Hu Weijun as executive Directors; Mr. Zhang Xin as non-executive Director; and Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive Directors.*



**NOTICE OF THE FIRST DOMESTIC SHARES SHAREHOLDERS  
CLASS MEETING OF 2025**

**NOTICE IS HEREBY GIVEN** that the first domestic shares shareholders class meeting of 2025 (the “**Domestic Shares Shareholders Class Meeting**”) of Xinte Energy Co., Ltd. (the “**Company**”) will be held physically at the Conference Room, R&D Building, No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the People’s Republic of China (the “**PRC**”) on Tuesday, 30 December 2025 at 12:00 noon (or immediately after the conclusion or adjournment of the first H shares shareholders class meeting of 2025 of the Company held on the same day, whichever is later) to consider and, if thought fit, approve the following resolution.

**SPECIAL RESOLUTION**

1. To consider and approve the Part Two of the Proposed Amendments to the Articles of Association.

By order of the Board  
**Xinte Energy Co., Ltd.**  
**Huang Hanjie**  
*Chairman*

Xinjiang, the PRC

8 December 2025

## NOTICE OF THE FIRST DOMESTIC SHARES SHAREHOLDERS CLASS MEETING OF 2025

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### Notes:

1. Unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 8 December 2025.
2. In order to determine the Domestic Shares Shareholders who are eligible to attend and vote at the Domestic Shares Shareholders Class Meeting, the register of members of the Company will be closed from Tuesday, 23 December 2025 to Tuesday, 30 December 2025, both days inclusive, during which period no transfer of shares will be effected. Domestic Shares Shareholders whose names appear on the register of members of the Company on Tuesday, 30 December 2025 shall be entitled to attend and vote at the Domestic Shares Shareholders Class Meeting. In order for the Domestic Shares Shareholders to qualify to attend and vote at the Domestic Shares Shareholders Class Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's securities department office, at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC, no later than 4:30 p.m. on Monday, 22 December 2025 for registration.
3. Domestic Shares Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the Domestic Shares Shareholders Class Meeting (or any adjournment thereof) on his/her behalf. The proxy needs not be a shareholder of the Company.
4. Domestic Shares Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Domestic Shares Shareholder or by a person duly authorized by the relevant Domestic Shares Shareholder in writing ("**power of attorney**"). If the form of proxy is signed by the person authorized by the relevant Domestic Shares Shareholder as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate Domestic Shares Shareholder appoints a person other than its legal representative to attend the Domestic Shares Shareholders Class Meeting (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate Domestic Shares Shareholder or signed by its director or any other person duly authorized by that corporate Domestic Shares Shareholder as required by the articles of association of the company.
5. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note 4 above must be delivered to the Company's securities department office, at No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC no later than 24 hours before the time appointed for the Domestic Shares Shareholders Class Meeting (i.e. no later than 12:00 noon on Monday, 29 December 2025) (or any adjournment thereof).
6. A Domestic Shares Shareholder or his/her proxy should produce proof of identity when attending the Domestic Shares Shareholders Class Meeting (or any adjournment thereof). If a corporate Domestic Shares Shareholder's legal representative or any other person duly authorized by such corporate Domestic Shares Shareholder attends the Domestic Shares Shareholders Class Meeting (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).
7. The Domestic Shares Shareholders Class Meeting (or any adjournment thereof) is expected to take 30 minutes. Domestic Shares Shareholder or their proxies who attend the Domestic Shares Shareholders Class Meeting (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.
8. The contact information of the securities department office of the Company is as follows:

Address: No. 2249, Zhongxin Street, Ganquanpu Economic and Technological Development Zone (Industrial Park), Urumqi, Xinjiang, the PRC  
Contact person: Ms. Zhang Juan  
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*As at the date of this notice, the Board consists of Mr. Huang Hanjie, Mr. Yang Xiaodong, Ms. Huang Fen and Mr. Hu Weijun as executive Directors; Mr. Zhang Xin as non-executive Director; and Mr. Cui Xiang, Mr. Chen Weiping and Mr. Tam, Kwok Ming Banny as independent non-executive Directors.*