Guangzhou Xiao Noodles Catering Management Co., Ltd.

Articles of Association

CHAPTER 1 GENERAL PROVISIONS

Article 1 Guangzhou Xiao Noodles Catering Management Co., Ltd. (the "**Company**") is a joint stock limited company established in accordance with Company Law of the People's Republic of China (the "**Company Law**") and other applicable laws and administrative regulations of the PRC.

In order to safeguard the legitimate rights and interests of the Company, its shareholders, employees and creditors and to regulate the organization and conduct of the Company, the Company has adopted the articles of association of Guangzhou Xiao Noodles Catering Management Co., Ltd. (the "**Articles of Association**") in accordance with the Company Law, the Securities Law of the People's Republic of China ("**Securities Law**"), the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "**Trial Administrative Measures**"), the Guidelines for Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), and other applicable regulations.

Article 2 The Company was reorganized from Guangzhou Xiao Noodles Catering Management Co., Ltd. (the "**Former Limited Liability Company**") and established as a joint stock limited company in accordance with the Company Law and other relevant regulations. The Company was registered with Guangzhou Municipal Administration for Market Regulation and obtained the business license. The unified social credit code is 91440106088050749B.

Article 3 The Company was filed with the China Securities Regulatory Commission (the "**CSRC**") on October 13, 2025 and was approved by The Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") on December 4, 2025 for the initial issuance of 97,364,500 overseas listed ordinary shares (H shares) with a par value of RMB0.02 each to overseas investors which will be listed on the Main Board of the Hong Kong Stock Exchange on December 5, 2025.

Article 4 The Company's registered name is: 廣州遇見小麵餐飲股份有限公司 in Chinese; Guangzhou Xiao Noodles Catering Management Co., Ltd. in English.

Article 5 The Company's address: Room 4068, 4th Floor, No. 102, Keyun Road, Zhongshan Avenue, Tianhe District, Guangzhou, China (for office use only, not for factory use); postal code: 510665.

Article 6 The Company's registered capital is RMB12,266,496.

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

Article 8 The director or manager who represents the Company in its business operations is the legal representative of the Company, who shall be elected or replaced through the election of the board of directors (the "**Board**" or "**Board of Directors**"). Where the director or manager who serves as the legal representative tenders a resignation, he/she shall be deemed to have resigned as the legal representative at the same time. Where the legal representative tenders a resignation, the Company shall appoint a new legal representative within 30 days from the date of the resignation of the legal representative.

The Company shall bear the legal consequences arising from the civil activities conducted by the legal representative in the name of the Company. Restrictions on the authority of the legal representative imposed by the Articles of Association or the general meeting shall not be enforceable against bona fide counterparty. Where the legal representative causes damage to any other person in the performance of his/her duties, the Company shall assume civil liability for such damage. The Company may, after assuming such civil liability, seek compensation from the legal representative at fault in accordance with the laws or the Articles of Association.

Article 9 All the assets of the Company are divided into shares of equal value. The shareholders of the Company are responsible for the Company to the extent of their subscribed shares, and the Company is responsible for the Company's debts with all its assets.

Article 10 The Articles of Association shall, from the date on which they take effect, be the legally binding document that regulates the organization and activities of the Company and the relationship of rights and obligations between the Company and the shareholders and among the shareholders, and shall be legally binding on the Company, the shareholders, the directors, the supervisors and senior management members. Based on the Articles of Association, any shareholder may bring a lawsuit against another shareholder, a director, a supervisor, a manager or any other senior management members of the Company. Any shareholder may bring a lawsuit against the Company, and the Company may bring a lawsuit against any shareholder, director, supervisor, manager or any other senior management members.

Article 11 Other senior management members referred to in the Articles of Association represent the deputy manager, secretary to the Board and financial officer of the Company.

Article 12 The Company shall, subject to the provisions of the Constitution of the Communist Party of China, establish a party organization and carry out party-related activities. The Company provides the necessary conditions for the activities of the party organization.

CHARTER 2 BUSINESS OBJECTIVES AND SCOPE

Article 13 The business objectives of the Company: with the aspiration to strengthen economic cooperation and technological exchange, the Company adopts advanced and applicable technologies as well as scientific operation and management methods to improve economic efficiency and ensure all shareholders obtain satisfactory economic returns.

Article 14 After legal registration, the Company's business scope includes: food delivery services; catering management; consulting and planning services; information consulting services (excluding licensed information consulting services); stationery retail; edible agricultural products retail; aquatic products retail; arts and crafts and collectibles retail (excluding ivory and its products); fresh meat retail; cosmetics retail; kitchenware, sanitary ware and daily necessities retail; jewelry retail; household appliances retail; computer software, hardware and auxiliary equipment retail; food additive sales; internet sales (excluding commodities requiring licenses for sales); arts and crafts and etiquette supplies manufacturing (excluding ivory and its products); single-purpose commercial prepaid card agent sales; non-residential real estate leasing; property management; daily necessities sales; general merchandise sales; garment accessories sales; clothing and apparel retail; fresh egg retail; fresh fruit retail; fresh vegetable retail; electronic products sales; daily-use glass products sales; furniture sales; toy sales; sports goods and equipment retail;

personal hygiene products sales; lighting fixtures sales; supply chain management services; enterprise management; small catering (limited to branch operations); catering services (limited to branch operations); small catering, small grocery stores, and small food workshops (limited to branch operations); pharmaceutical retail; food internet sales (selling prepackaged food); food internet sales; food operation (selling prepackaged food); food operation; alcohol operation.

CHARTER 3 SHARES

Section 1 Issuance of Shares

Article 15 The shares of the Company are in the form of registered share certificates.

Article 16 Shares of the Company shall be issued in an open, fair and equal manner and shares of the same class shall rank pari passu in all respects.

If at any time the Company's shares are divided into different classes of shares, and the Company intends to change or abolish the rights of a particular class of shareholders, such change or abolition shall be passed by a special resolution of the affected class of shareholders at a general meeting separately convened.

Each share of the same class and in the same issuance shall be issued on the same conditions and at the same price. Any subscriber shall pay the same price for each of the shares it or he/she subscribes for.

In the case of a new share issuance by the Company, shareholders registered on the record date for the relevant general meeting that approves such issuance do not have pre-emptive rights, unless that general meeting expressly makes arrangements for pre-emptive rights in compliance with applicable laws, regulations, and the securities regulatory rules of the place where the Company's shares are listed.

Where the Articles of Association or a general meeting authorizes the Board of Directors to decide on the issuance of new shares, the relevant Board resolution shall be passed by more than two-thirds of all the directors.

Article 17 The par value shares issued by the Company shall be denominated in RMB with a par value of RMB0.02 per share.

Renminbi referred to in the preceding paragraph means the lawful currency of the People's Republic of China (the "**PRC**").

Each class of ordinary shares (domestic unlisted shares and overseas listed shares) issued by the Company are entitled to the same rights in any distribution in the form of dividends or any other form.

Article 18 The overseas listed shares issued by the Company are centrally deposited with local stock registration institutions.

The domestic unlisted shares issued by the Company are centrally deposited with domestic securities registration and settlement institutions. Upon approval and filed by the securities regulatory authority of the State Council and approved by the Hong Kong Stock Exchange, all or part of the domestic unlisted shares of the Company may be converted into overseas listed shares, and the converted overseas listed shares may be listed and traded on overseas stock exchanges. When the converted shares are listed and traded on overseas stock exchanges, the regulatory procedures, regulations and requirements of overseas securities markets shall also be complied with.

In the event that the domestic unlisted shares are converted into overseas listed shares and listed and traded on an overseas stock exchange, it is not necessary to convene a general meeting to vote.

Article 19 At the time of its establishment, the Company issued 613,324,800 ordinary shares with a par value of RMB0.02 per share to its promoters, all of which are subscribed and held by the promoters of the Company. The following table shows the promoters, the number of shares they subscribed for, method and time of capital contribution at the time of the establishment of the Company:

No.	Names of promoters	No. of shares subscribed (shares)	Method of capital contribution	Time of capital contribution
1	Huai'an Chuangtao Enterprise Management Partnership (Limited Partnership)	300,800,000	Shares converted from net assets	September 7, 2023
2	Wonderful Dawn Holdings Limited	105,239,450	Shares converted from net assets	September 7, 2023
3	Gu Dongsheng	47,404,150	Shares converted from net assets	September 7, 2023
4	Guangzhou Pinxin Yuegu Enterprise Management Co., Ltd.	39,894,000	Shares converted from net assets	September 7, 2023
5	Foshan Nanhai Huibi No. 2 Equity Investment Partnership (Limited Partnership)	31,185,600	Shares converted from net assets	September 7, 2023
6	Huai'an Yujian Haoren Enterprise Management Partnership (Limited Partnership)	25,995,850	Shares converted from net assets	September 7, 2023
7	Foshan Nanhai Huibi No. 1 Equity Investment Partnership (Limited Partnership)	24,362,800	Shares converted from net assets	September 7, 2023
8	Shanghai Qingcong Capital Investment Partnership (Limited Partnership)	20,000,000	Shares converted from net assets	September 7, 2023
Total		**613,324,800**	**/**	**/**

Article 20 After the completion of the initial public offering of H shares, the share capital structure of the Company shall be 710,689,300 ordinary shares, of which:

(I) 0 are domestic unlisted shares;

(II) 710,689,300 are H shares.

Upon the issuance of the abovementioned H Shares, the Company shall register for the changes in registered capital with the company registration authority in accordance with the actual amount of the registered capital of the Company determined according to the capital verification report issued by the certified accountants. The Company shall file with the local commerce department authorized by the State Council and the securities regulatory authority of the State Council at the same time.

The total number of shares upon the Company's completion of the H-share issuance and listing will be 710,689,300 shares, all of which are ordinary shares with no other class of shares.

Article 21 The Company or its subsidiaries (including its affiliates) shall not provide any financial assistance, in the form of gift, advance, guarantee, compensation or borrowing to any persons for the purchase of or intention to purchase the Company's shares, unless the Company implements an employee stock ownership plan.

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

In the event of any violation against the provisions of the preceding two paragraphs that causes losses to the Company, the responsible directors, supervisors and senior management members shall be liable for the compensation.

Section 2 Increase, Reduction and Repurchase of Shares

Article 22 Based on its operating and development needs, the Company may, pursuant to the laws and regulations and by resolution at the general meeting, increase its capital in the following ways:

(I) Public offering of shares;

(II) Non-public offering of shares;

(III) Distributing bonus shares to existing shareholders;

(IV) Converting capital reserves into share capital;

(V) Any other means stipulated in the laws and administrative regulations or permitted by the CSRC and the Hong Kong Stock Exchange.

Article 23 The Company may decrease its registered capital and shall comply with the procedures stipulated in the Company Law, other related domestic regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 24 The Company shall not purchase its own shares. Except for any following circumstances:

(I) reducing its registered capital;

(II) merger with another company which holds the shares of the Company;

(III) using shares for employee stock ownership plans or share incentives;

(IV) request to the Company to acquire the shares from shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company;

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

(VI) when necessary to maintain the Company's value and shareholders' interests;

(VII) any other circumstance permitted by laws and administrative regulations and approved by the securities regulatory rules of the place where the Company's shares are listed.

Article 25 The Company may purchase its own shares through public centralized trading, or through other means recognized by the laws, administrative regulations, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed or the CSRC.

Where the Company purchases its own shares under any of the circumstances specified in the provisions set forth in subparagraphs (III), (V), (VI) under the first paragraph of Article 24 of the Articles of Association, centralized trading shall be adopted publicly subject to the requirements of the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Article 26 If the Company purchases its own shares under the circumstances set forth in subparagraphs (I) and (II) under the first paragraph of Article 24 of the Articles of Association, a resolution shall be passed at a general meeting; if the Company purchases its own shares under the circumstances set forth in subparagraphs (III), (V) and (VI) under the first paragraph of Article 24 of the Articles of Association, a resolution may be passed at a meeting of the Board of Directors attended by two-thirds or more of the Directors in accordance with the provisions of Articles of Association or the authorization of the general meeting.

If the Company purchases its own shares in accordance with the first paragraph of Article 24 of the Articles of Association, in the case of subparagraph (I), the shares shall be cancelled within ten days from the date of acquisition; in the case of subparagraphs (II) and (IV), the shares shall be transferred or cancelled within six months; in the case of subparagraphs (III), (V) and (VI), the total number of shares of the Company held by the Company shall not exceed 10% of the total number of issued shares of the Company, and shall be transferred or cancelled within three years.

If the securities regulatory rules of the place where the Company's shares are listed have other provisions on the matters involved in this Article, such provisions shall prevail, provided that they do not violate the applicable relevant laws and regulations including the Company Law, the Securities Law, and the Trial Administrative Measures.

Section 3 Transfer of Shares

Article 27 Shares of the Company may be transferred according to the law.

Article 28 The Company shall not accept any of its own shares as the subject of the pledge.

Article 29 Shares issued by the Company prior to the public offering of shares shall not be transferred within one year from the date on which the shares of the Company are listed and traded on a stock exchange.

Directors, supervisors and senior management members of the Company shall declare to the Company their shareholdings in the Company (including preferred shares, if any) and any changes of such shareholdings, and the shares transferred each year during their term of office shall not exceed 25% of the total shares of the same class they hold in the Company; shares of the Company held by them shall not be transferred within one year from the date of the listing and trading of the Company's shares, nor within half a year after their resignation from their positions with the Company.

Where the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee may not exercise the pledge right within the period of restriction on transfer. Where the Hong Kong Listing Rules or relevant regulations of the securities regulatory authority in the place where the Company's shares are listed have other provisions on the transfer restrictions of overseas listed shares, such provisions shall prevail.

Article 30 Where any director, supervisor, senior management member, shareholder (except for Hong Kong Securities Clearing Company Limited and HKSCC Nominees Limited) who holds more than 5% of the Company's shares sells the Company's shares or other securities with the nature of equity he/she holds within 6 months of the relevant purchase, or purchases any shares or other securities with the nature of equity he/she has sold within 6 months of the relevant sale, the proceeds generated therefrom shall be incorporated into the profits of the Company, and the Board of Directors of the Company shall recover the proceeds. However, the following circumstances where a securities company holds more than 5% of the shares due to its purchase of any remaining shares under the underwriting, and where it is otherwise specified by the CSRC or the securities regulatory authority in the place where the Company's shares are listed shall be excluded.

Shares or other securities with the nature of equity held by directors, supervisors, senior management members and individual shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, or held by them by using other people's accounts.

If the Board of Directors of the Company fails to comply with the first paragraph of this Article, the shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the shareholders are entitled to file a lawsuit directly with the people's court in their own names for the interest of the Company.

If the Board of Directors fails to implement the provisions set forth in the first paragraph of this Article, the responsible directors shall bear joint and several liability in accordance with law.

If H Shares are involved in the transfer restrictions stated in this Article, the relevant regulations of the securities regulatory authorities in the place where the Company's shares are listed shall be observed.

CHAPTER 4 SHAREHOLDERS AND GENERAL MEETINGS

Section 1 Shareholders

Article 31 The Company shall establish a register of members in accordance with certificates from the share registrar. The register of members is sufficient evidence of the shareholders' shareholdings in the Company. A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class of shares he/she holds. Shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

Article 32 The original register of members of overseas listed shares listed in Hong Kong shall be kept in Hong Kong. All transfers of H shares shall be in the form of a written transfer instrument in ordinary or common form or any other form acceptable to the Board of Directors (including the standard transfer form or transfer form specified by the Hong Kong Stock Exchange from time to time); and such transfer instrument may only be signed by hand or stamped with a valid company seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house or its agent as defined in the relevant regulations in force from time to time under the laws of Hong Kong, the transfer document may be signed by hand or machine-printed. All transfer documents shall be kept at the legal address of the Company or at such address as may be designated by the Board of Directors from time to time.

The Company shall maintain a complete register of members. The register of members shall include the following parts:

(I) the register of members kept at the Company's corporate domicile (other than those registers of members as described in sub-paragraphs (II) and (III) of this Article);

(II) the register of members of the Company's H shares kept at the place where the Hong Kong Stock Exchange is located;

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

Alteration or rectification of each part of the register of members shall be carried out in accordance with the laws of the place where such part of the register of members is maintained.

The Company shall keep at its domicile a copy of the register of members of overseas listed shares. The appointed overseas agent(s) shall ensure that the original and copy of the register of members of overseas listed shares are always consistent. The register of members maintained in Hong Kong must be available for inspection by shareholders, but the Company may be permitted to suspend the registration of shareholders in accordance with the provisions equivalent to section 632 of the Companies Ordinance (Chapter 622).

When the Company convenes a general meeting, distributes dividends, liquidates, or engages in other actions that require confirmation of the identity of shareholders, the Board of Directors or the convener of the general meeting shall determine the equity registration date. The shareholders who are registered after the market closes on the equity registration date are shareholders who enjoy relevant rights and interests.

Article 33 Any shareholder who is registered in, or any person who requests to have his/her name entered in, the register of members may apply to the Company for issue of a replacement share certificate in respect of such shares (the "**Relevant Shares**") if his/her share certificate (the "**Original Certificate**") is stolen, lost or destroyed.

If a shareholder whose share certificate of domestic shares has been stolen, lost or destroyed applies to the Company for a replacement share certificate, it shall be dealt with in accordance with the relevant provisions of the Company Law.

If a shareholder whose share certificate of overseas-listed foreign shares has been stolen, lost or destroyed applies to the Company for a replacement share certificate, it shall be dealt with in accordance with the laws, rules of the stock exchange(s) or other relevant provisions of the place where the original register of members of overseas-listed foreign shares is kept.

Article 34 Shareholders of the Company shall have the following rights:

(I) the right to receive dividends and other distributions in proportion to their shareholdings;

(II) the right to request, convene, preside over, attend or appoint a proxy to attend general meetings and to exercise the speaking and voting rights in accordance with the law;

(III) the right to supervise the Company's business operations, to present proposals or to raise enquiries;

(IV) the right to transfer, give as gift or pledge shares held by them in accordance with the laws, administrative regulations and the Articles of Association;

(V) the right to inspect and duplicate the Articles of Association, the register of members, minutes of general meetings, resolutions of Board meetings, resolutions of Supervisory Committee and financial accounting reports, shareholders that meet the requirements could inspect the accounting documents and accounting books of the Company;

(VI) in the event of the termination or liquidation of the Company, the right to participate in the distribution of the remaining assets of the Company in proportion to its shareholdings;

(VII) for shareholders who vote against any resolution adopted at the general meeting on the merger or division of the Company, the right to demand the Company to buy back their shares;

(VIII) other rights under laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Shareholders who individually or in aggregate hold more than 3% of the Company's shares for more than 180 consecutive days may request to check the Company's accounting books and accounting vouchers, and such shareholders shall submit a written request to the Company stating their purpose. If the Company has reasonable grounds to believe that the shareholder's request to check the accounting books and accounting vouchers is for an improper purpose and may harm the legitimate interests of the Company, it may refuse to provide such check, and shall give a written reply to the shareholder within 15 days from the date of the shareholder's written request and explain the reasons. If the Company rejects the request of any shareholder to review the accounting books and accounting vouchers, the shareholder may initiate proceedings in the people's court.

The shareholder may appoint an accounting firm, a law firm, or other intermediaries to review the materials specified in the preceding paragraph.

The shareholder and the accounting firm, the law firm, or other intermediaries appointed by it shall comply with the provisions of the laws and administrative regulations relating to the protection of state secrets, commercial secrets, personal privacy and personal information, etc., when reviewing and duplicating the relevant materials.

If a shareholder requests to review or duplicate the relevant materials of the Company's wholly-owned subsidiaries, the above four provisions shall apply.

Shareholders who request to review or duplicate relevant materials shall comply with the provisions of laws and administrative regulations, including the Company Law, the Securities Law, the Hong Kong Listing Rules, and other securities regulatory rules of the place where the Company's shares are listed.

Article 35 A shareholder requesting to inspect, copy, or obtain the materials mentioned in the preceding article shall provide the Company with written documents proving the class and quantity of the Company's shares he/she holds. Upon verifying the shareholder's identity, the Company shall provide the materials according to the shareholder's request.

Article 36 If a resolution passed at the general meeting or resolutions of Board meetings of the Company violates the laws or administrative regulations, the shareholders shall have the rights to submit a petition to the people's court to render the same invalid.

If the procedures for convening, or the method of voting at, a general meeting or meeting of the Board violate the laws, administrative regulations or the Articles of Association, or the contents of a resolution violate the Articles of Association, shareholders shall have the rights to submit a petition to the people's court to revoke such resolution within 60 days from the date on which such resolution is adopted, except where there are only minor defects in the convening procedures or voting methods of the general meeting and the Board meetings, which do not materially affect the resolutions.

Any shareholder who fails to be notified to attend the general meeting may, within 60 days from the date on which it knows or ought to know that the resolution of the general meeting is made, request the people's court to cancel the resolution. If the right of cancellation is not exercised within one year from the date on which the resolution is made, it shall be extinguished.

Where there is a dispute between the Board of Directors, shareholders and other relevant parties as to the validity of a resolution of a general meeting, they shall promptly file a lawsuit with the people's court. Before the people's court makes a judgement or ruling such as revoking the resolution, the relevant parties shall execute the resolution of the general meeting. The Company, its directors and senior management members shall effectively perform their duties to ensure the normal operation of the Company.

If the people's court makes a judgement or ruling on the relevant matters, the Company shall fulfil its obligation to disclose the information in accordance with the laws, administrative regulations, the rules of the CSRC and other securities regulatory authorities in the place where the Company's shares are listed, fully explain the impact, and actively cooperate with the enforcement of the judgement or ruling after it has come into effect. Where correction of prior period matters is involved, it will be handled in a timely manner and the corresponding information disclosure obligations shall be fulfilled.

Article 37 A resolution of the general meeting or the Board of Directors of the Company shall not be valid if any of the following circumstances applies:

(I) no general meeting or Board meeting is convened to pass a resolution;

(II) the resolution is not voted on at the general meeting or Board meeting;

(III) the number of persons attending the meeting or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association;

(IV) the number of persons agreeing to the resolution or the number of voting rights held does not reach the number of persons or the number of voting rights held as provided for in the Company Law or the Articles of Association.

Article 38 If a director and senior management member causes losses to the Company for violation of the laws, administrative regulations or the Articles of Association during the performance of his/her duties, shareholders who hold more than 1%, individually or jointly, of the Company's shares for more than 180 consecutive days, have the right to request the Supervisory Committee in written form to initiate legal proceedings in the people's court; if the Supervisory Committee causes losses to the Company for violation of the laws, administrative regulations or the Articles of Association during the performance of its duties, the aforesaid shareholders can request the Board of Directors in written form to initiate legal proceedings in the people's court.

Upon receipt of the written request by the shareholders as stipulated in the preceding paragraph, in case the Supervisory Committee or the Board of Directors refuses to initiate legal proceedings or fails to initiate legal proceedings within 30 days from receipt of such request, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, the aforesaid shareholders shall have the right to initiate legal proceedings in the people's court directly in their own name for protection of the Company's interests.

In the event that any person infringes the legal interests of the Company, thus causing losses to the Company, the shareholders specified in the first paragraph hereof may initiate legal proceedings in the people's court in accordance with the provisions of the preceding two paragraphs.

If the directors, supervisors, or senior management members of a wholly-owned subsidiary of the Company fall under the circumstances described in the preceding paragraphs, or if any other person infringes upon the lawful rights and interests of the wholly-owned subsidiary and causes losses, then any shareholder(s) who have held, individually or collectively, 1% or more of the Company's shares for 180 consecutive days or more may, in accordance with the provisions of the preceding three paragraphs, make a written request to the Supervisory Committee or the Board of Directors of the wholly-owned subsidiary to initiate legal proceedings in a people's court, or such shareholder(s) may directly initiate legal proceedings in a people's court in their own name.

Article 39 In the event of violation of the laws, administrative regulations or the provisions under the Articles of Association by a director or senior management member causing damage to the shareholders' interest, the shareholders may initiate legal proceedings in the people's court.

Where the directors or the senior management members cause damage to others in the course of performing their duties, the Company shall be liable for compensation; where the directors or the senior management members act with willful or material default, they shall also be liable for compensation.

If the controlling shareholder or the de facto controller of the Company instructs directors or senior management members to engage in an act that is detrimental to the interests of the Company or the shareholders, he/she shall be jointly and severally liable with the directors or senior management members.

Article 40 Shareholders of the Company shall assume the following obligations:

(I) to abide by the laws, administrative regulations, departmental rules, regulatory rules of the place where the Company's shares are listed and the Articles of Association;

(II) to pay for the shares based on the shares subscribed for and the manners in which they became shareholders;

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

(IV) not to abuse their shareholder's rights to damage the interests of the Company or other shareholders; not to abuse the independent legal person status of the Company and the limited liability of shareholders to damage the interests of the creditors of the Company;

(V) to assume other obligations required by the laws, administrative regulations, regulatory rules of the place where the Company's shares are listed and the Articles of Association.

If any shareholder of the Company abuses the shareholder's rights and causes loss to the Company or other shareholders, he/she shall be liable for the compensation according to the laws. If any shareholder of the Company abuses the independent legal person status of the Company and the limited liability of shareholders to evade debts and severely damage the interests of the creditors of the Company, he/she shall bear joint liability for the debts owed by the Company.

If shareholders conduct any action stipulated in the preceding paragraph by using two or more companies controlled by him/her, each of the companies shall assume joint and several liability for any one of the company's debts.

Article 41 The Company's controlling shareholder or de facto controller who does not serve as a director but is actually involved in the execution of the affairs of the Company shall bear the fiduciary duties to the Company. They shall take measures to avoid conflicts between their personal interests and the interests of the Company, and shall not exploit their power to seek improper gains. They shall also bear the diligence duty to the Company, and in performing their duties, they shall act with due care and diligence that a manager would ordinarily exercise for the best interests of the Company.

The controlling shareholders and de facto controllers of the Company shall bear the fiduciary duties to the Company and public shareholders. The controlling shareholder shall strictly exercise the rights of the investor in accordance with the law. The controlling shareholder shall not damage the legitimate rights and interests of the Company and public shareholders by means of profit distribution, asset restructuring, outbound investment, appropriation of capital, borrowing security, etc., and shall not damage the interests of the Company and public shareholders by means of its controlling position.

A controlling shareholder or de facto controller of the Company who instructs a director or senior management member to engage in acts detrimental to the interests of the Company or the shareholders shall be jointly and severally liable with such director or senior management member.

Section 2 General Provisions of General Meetings

Article 42 The general meeting of the Company shall be constituted by all the shareholders. The general meeting shall be the authority of power of the Company and shall exercise the following duties and powers in accordance with the law:

(I) to elect and change directors and supervisors who are not employee representatives, and decide on the remunerations of directors and supervisors;

(II) to consider and approve reports of the Board of Directors;

(III) to consider and approve reports of the Supervisory Committee;

(IV) to consider and approve the Company's profit distribution plans and loss recovery plans;

(V) to resolve on the increase or reduction of the registered capital of the Company;

(VI) to resolve on the issuance of corporate bonds;

(VII) to resolve on the merger, division, dissolution, liquidation or change in the form of the Company;

(VIII) to amend the Articles of Association;

(IX) to resolve on the Company's appointment or dismissal of accounting firms that undertake the Company's audit business;

(X) to consider and approve guarantees stipulated in Article 43 of the Articles of Association;

(XI) to consider and approve the purchase or sale of significant assets by the Company within one year, or provision of guarantees to others, that exceed 30% of the Company's latest audited total assets;

(XII) to consider and approve the change of use of proceeds;

(XIII) to consider share incentive schemes and employee stock ownership plans;

(XIV) to consider any transaction where any one of the applicable percentage ratios calculated in accordance with the provisions of Rule 14.07 of the Hong Kong Listing Rules regarding percentage ratios reaches twenty-five percent (25%) or more (including one-off transactions and a series of transactions for which the percentage ratios need to be calculated on a combined basis, but excluding any transactions that are exempt from shareholder approval under the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange for such exemption), or any connected transaction where any one of the applicable percentage ratios reaches five percent (5%) or more (including one-off transactions and a series of transactions for which the percentage ratios need to be calculated on a combined basis, but excluding any connected transaction that is exempt from the approval of independent shareholders under the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange for such exemption);

(XV) to consider other matters which shall be approved or decided by the general meetings in accordance with laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 43 The following external guarantees of the Company shall be considered and approved by the general meeting:

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

(II) any external guarantee provided by the Company after its total external guarantees exceed 30% of the latest audited total assets of the Company;

(III) any guarantee of which the total amount guaranteed by the Company within one year exceeds 30% of the latest audited total assets of the Company;

(IV) any guarantee provided to guarantee recipients with a gearing ratio of more than 70%;

(V) any single guarantee whose amount exceeds 10% of the latest audited net assets;

(VI) any guarantee provided to a shareholder, or to a de facto controller or related party thereof;

(VII) other external guarantees that meet the requirements of laws, regulations, normative documents, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association can take effect only after being reviewed and approved by the general meeting.

The above-mentioned external guarantee matters that should be reviewed and approved by the general meeting must be reviewed and approved by the Board of Directors before being submitted to the general meeting for approval.

The Company may be exempted from the application of items (I), (IV) and (V) of this Article when providing guarantees for its wholly-owned subsidiaries, or when providing guarantees for its controlling subsidiaries where the other shareholders of such controlling subsidiaries provide guarantees in proportion to their respective equity interests, provided that such actions do not harm the Company's interests, unless otherwise provided by laws, regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The Board of Directors has the right to consider and approve external guarantee matters other than those mentioned above that need to be approved by the general meeting.

When the general meeting considers a proposal to provide guarantees for shareholders, de facto controllers and their related parties, the shareholder or shareholders controlled by the de facto controller shall not participate in the voting. The voting must be approved by more than half of the voting rights held by other shareholders attending the general meeting.

Article 44 A general meeting shall either be an annual general meeting or an extraordinary general meeting. Annual general meetings shall be held once every year and within 6 months from the close of the preceding accounting year.

Article 45 The Company shall convene an extraordinary general meeting within two months upon occurrence of the following events:

(I) when the number of Directors falls below the minimum requirement of the Company Law, or is less than two thirds of the number specified by the Articles of Association;

(II) when the unrecovered losses of the Company amount to one third of the total amount of its share capital;

(III) when shareholder(s) severally or jointly holding more than ten percent of the Company's shares request(s) to convene such meeting;

(IV) when the Board of Directors considers necessary;

(V) when the Supervisory Committee proposes to convene such meeting;

(VI) other circumstances stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

Article 46 The venue of the general meeting convened by the Company shall be the domicile of the Company or other place specified in the notice of general meetings.

The general meeting shall be held in the form of an on-site meeting at a designated venue. Furthermore, the Company shall provide shareholders with the facility to participate by means of online voting.

If the extraordinary general meeting is convened in response to the provisions of the securities regulatory rules of the place where the Company's shares are listed, the actual date of the extraordinary general meeting may be adjusted in accordance with the provisions of the relevant rules of the stock exchange where the Company's shares are listed (if applicable).

Article 47 The Company shall, when convening the general meeting, engage lawyers to issue legal opinions in respect of the following matters and make relevant announcements:

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

(II) whether the qualifications of the attendees and the convener of the meeting are lawful and valid;

(III) whether the procedures of voting at the general meeting and the voting results are lawful and valid;

(IV) provision of any legal advice on any other matters requested by the Company.

Section 3 Convening of General Meetings

Article 48 The general meeting shall be convened by the Board of Directors, except as otherwise provided by law or the Articles of Association.

Article 49 The independent directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. In response to a proposal by the independent director to convene an extraordinary general meeting, the Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the Hong Kong Listing Rules, and the Articles of Association, give a written response as to whether or not it agrees to convene an extraordinary general meeting within ten days upon receipt of such proposal.

Where the Board of Directors agrees to hold an extraordinary general meeting, it will send out a notice thereon within 5 days after the relevant resolution of the Board of Directors is made. If the Board of Directors does not agree to hold an extraordinary general meeting, it shall state reasons and make an announcement.

Article 50 The Supervisory Committee shall have the right to propose to the Board of Directors to hold an extraordinary general meeting and shall put forward the proposal to the Board of Directors in written form. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and the Articles of Association, give a written feedback on whether or not it agrees to hold an extraordinary general meeting within 10 days of receipt of the proposal.

Where the Board of Directors agrees to hold an extraordinary general meeting, it shall send out a notice thereon within 5 days after the relevant resolution of the Board of Directors is made; any change to the original proposal in the notice is subject to the consent of the Supervisory Committee.

Where the Board of Directors does not agree to hold an extraordinary general meeting or fails to give a feedback within 10 days of receipt of the proposal, it shall be deemed that the Board of Directors is unable or fails to perform its duty to convene a general meeting, and the Supervisory Committee may convene and preside over an extraordinary general meeting itself.

Article 51 Shareholder(s) severally or jointly holding more than 10% of the shares of the Company shall be entitled to request the Board of Directors to convene an extraordinary general meeting, and shall put forward such request to the Board in written form. The Board of Directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, inform in writing whether it agrees or disagrees to convene an extraordinary general meeting within ten days upon receipt of the request.

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

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

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

If the Supervisory Committee refuses to convene and preside over such meeting, and shareholders holding 10% or more of the shares of the Company separately or in aggregate for more than 90 consecutive days shall have the right to convene and preside over the meeting on their own.

Where laws, administrative regulations, normative documents and relevant rules of the securities regulatory authority where the Company's shares are listed otherwise require, those provisions shall prevail.

Article 52 If the general meeting is convened by the Supervisory Committee or shareholders on their own, a written notice shall be issued to the Board of Directors. Prior to the announcement of the resolution of the general meeting, the proportion of shares held by the convening shareholders shall not be less than 10%.

Article 53 The Board of Directors and the secretary to the Board should cooperate with the Supervisory Committee or shareholders to convene general meetings on their own. The Board of Directors shall provide the register of members on the record date of equity interests.

Article 54 The expenses necessary for the general meeting convened by the Supervisory Committee or the shareholders themselves shall be borne by the Company.

Section 4　Proposals and Notices of the General Meetings

Article 55　The proposals shall fall within the scope of functions and powers of the general meeting, have clear issues for discussion and specific matters to be resolved, and comply with the laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed and the Articles of Association. Proposals shall be submitted or delivered to the convener in writing.

Article 56　When the Company convenes a general meeting, the Board of Directors, the Supervisory Committee and shareholders holding 1% or more of the shares of the Company separately or in aggregate shall be entitled to put forward proposals to the Company.

Shareholders individually or jointly holding 1% or more of the shares of the Company may submit ad hoc proposals to the convener of a general meeting in writing ten days prior to general meeting. The ad hoc proposals shall have clear issues for discussion and specific matters to be resolved. The convener shall issue a supplementary notice of the general meeting to announce the information of such ad hoc proposals within 2 days after receipt thereof, and submit such ad hoc proposals to general meetings for consideration, unless the ad hoc proposals are in violation of any law, administrative regulation or the Articles of Association or fall out of the scope of functions of the general meeting.

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

Proposals which are not specified in the notice of the general meeting or which are not in compliance with Article 55 of the Articles of Association shall not be voted on at the general meeting.

Article 57　The convener shall convene an annual general meeting by notifying the shareholders in announcement 20 days prior to the meeting and an extraordinary general meeting by notifying the shareholders in announcement 15 days prior to the meeting.

When calculating the starting period of the aforementioned "20 days" and "15 days", the date of the general meeting convened shall not be included but the issue date of such notice shall be included.

Article 58　The notice of the general meeting shall include the following contents:

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

(II)　the matters and proposals to be reviewed at the meeting;

(III)　an explicit statement that all ordinary shareholders are entitled to participate in the general meeting and they may appoint in writing a proxy to attend and vote at such meeting and such proxy may not necessarily be a shareholder of the Company;

(IV)　the record date of shareholders entitled to attend the general meeting;

(V)　the name and telephone number of the standing contact person for the meeting affairs;

(VI)　time and procedures for voting online or via other means;

(VII) other requirements stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The notice and supplementary notice of the general meeting shall fully and completely disclose all specific contents of all proposals and all information or explanations necessary to enable shareholders to make a reasonable judgment on the matters to be discussed.

Online or other voting methods for the general meeting shall not commence earlier than 3:00 p.m. on the day preceding the date of the on-site general meeting, and no later than 9:30 a.m. on the date of the on-site general meeting and shall not end before 3:00 p.m. on the date of the on-site general meeting.

The interval between the record date and the date of the meeting shall be no more than 7 business days. Once the record date is confirmed, it shall not be changed.

Article 59 When the general meeting intends to discuss the election of directors and supervisors, the notice of the general meeting shall fully disclose the details of the candidates for directors and supervisors, including, as a minimum, the following contents:

(I) personal particulars such as education background, working experience and any concurrent positions;

(II) whether one is connected with the Company or its controlling shareholders and de facto controller;

(III) their shareholdings in the Company;

(IV) any penalties imposed by the CSRC and other relevant authorities and punishments imposed by the stock exchanges.

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 60 After the notice of the general meeting is issued, the meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In case of any postponement or cancellation of the meeting, the convenor shall make an announcement at least two working days prior to the original date of the convening and state the reasons therefor. If the convening is postponed, the date of the postponed convening shall be stated in the announcement.

Section 5 Holding of General Meetings

Article 61 The Board of Directors and other conveners shall take necessary measures to ensure the proper order of the general meeting. They shall take measures to stop the conducts that interfere with the general meeting, seeking trouble and infringing on the legal rights and interests of the shareholders and report such act to the relevant authorities for investigation.

Article 62 All holders of ordinary shares registered on the record date or their proxies shall be entitled to attend the general meeting, speak at the general meetings, and exercise their voting rights in accordance with the relevant laws, regulations and the Articles of Association.

Shareholders may attend the general meeting in person or may also appoint proxies (who need not be shareholders of the Company) to attend and vote on his/her behalf.

Article 63 An individual shareholder who attends the meeting in person shall present his/her own ID card or other valid documents or proof evidencing his/her identity and stock account card. If a proxy is appointed to attend the meeting on his or her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder.

Legal person shareholders or other institutional shareholders shall be represented at the meeting by the legal representative/executing partner (authorized representatives) or proxies entrusted by the legal representative/executing partner (authorized representatives). Legal representative/executing partner (authorized representatives) who attends the meeting shall present his/her own ID card or other valid proof evidencing his/her capacity of legal representative/executing partner (authorized representatives). If a proxy is appointed to attend the meeting on his or her behalf, such proxy shall produce his/her own ID card and the power of attorney issued by the legal representative/executing partner (authorized representatives) of legal person shareholders or other institutional shareholders in accordance with the laws.

If the shareholder is a recognized clearing house (or its nominee(s)) as defined in the relevant ordinances enacted in Hong Kong from time to time, the shareholder may authorize the company representatives or one or more persons as he/she deems appropriate to act as his/her representative at any general meeting (and meetings of creditors). However, if more than one person is authorized, the power of attorney or letter of authorization shall state the number and class of shares in respect of which such person is authorized and shall be signed by the authorized officer of the recognized clearing house. The authorized persons may attend the meeting (without presenting proof of shareholding, notarized authorization and/or further evidence to prove they have obtained official authorization) and exercise legal rights (including the right to speak and vote) equivalent to those enjoyed by other shareholders on behalf of a recognized clearing house (or its agent) as if he/she were an individual shareholder of the Company.

Article 64 Any shareholder entitled to attend and vote at a general meeting shall be entitled to appoint one or more persons (who need not be shareholders) as his/her proxy to attend and vote on his/her behalf. The power of attorney issued by a shareholder to appoint a proxy to attend the general meeting shall contain the following information:

(I) name of the principal, the class and number of shares of the Company held;

(II) the name of the proxy;

(III) specific instructions from shareholders, including instructions as to whether to cast affirmative, negative or abstention votes on each matter under consideration listed on the agenda of the general meeting;

(IV) the date of issue and validity period of the power of attorney;

(V) signature (or seal) of the principal. If the principal is a legal person shareholder or other institutional shareholder, the power of attorney shall be affixed with the seal of such corporate entity/institutional entity or signed by its directors or nominee or officer duly delegated.

Article 65 Proxy forms shall be made available at least 24 hours prior to a meeting at which voting is appointed in such proxy forms or 24 hours prior to the designated voting time at the Company's domicile or elsewhere specified in the notice convening the meeting. If the proxy forms are signed by the authorized person of the principal, the letter of authority for signing or other authorization documents shall be notarized. The notarized letter of authority or other authorization documents and the power of attorney for proxy voting shall be maintained at the domicile of the Company or other place specified in the notice of the meeting.

If the principal is a legal person or other institutional shareholder, its legal representative (responsible person)/executive partners or the person authorized by the Board of Directors or other decision-making authorities shall attend the general meeting of the Company on its behalf.

Article 66 The meeting register for the attendees shall be prepared by the Company. The meeting register shall specify the name of the attendees (or the entity name), the ID card number, the number of shares with voting rights he/she holds or represents, names of the principals (or the entity name) and other relevant matters.

Article 67 The convener and the lawyer (if any) engaged by the Company shall jointly verify the qualification of the shareholders according to the register of members provided by the securities depository and clearing institution and shall register the names of each shareholder and the number of shares with voting rights he/she holds. The meeting registration shall be terminated by the time the chairman of the meeting announces the number of shareholders and proxies present at the meeting as well as the total number of shares with voting rights held by them.

Article 68 Where the presence of directors and senior management members is required at a general meeting, the directors and senior management members shall be present at the meeting and reply the enquiries from shareholders. Subject to the compliance with the securities regulatory rules of the places where the Company's shares are listed, the above-mentioned persons may attend or be present at the meeting as non-voting attendees through the internet, video, telephone or other means with equivalent effect.

Article 69 The general meeting shall be presided over by the chairman of the Board of Directors. When the chairman of the Board of Directors is unable or fails to perform his/her duty, a director jointly elected by more than half of the directors shall preside over the meeting.

A general meeting convened by the Supervisory Committee itself shall be presided over by the chairman of the Supervisory Committee. If the chairman of the Supervisory Committee is unable or fails to perform his duties, one supervisor shall be elected jointly by half or more of the supervisors to preside over the meeting.

The general meeting convened by shareholder(s) itself/themselves shall be presided over by a representative elected by the convener.

When a general meeting is held and the chairman violates the rules of procedure in a way that makes it difficult for the general meeting to continue, a person may be elected at the general meeting, with consent of more than half of the shareholders attending the meeting with voting rights, to act as the chairman so as to carry on with the meeting.

Article 70 The Company shall formulate rules of procedure for the general meeting and specify the convening and voting procedures of the general meeting, including notification, registration, consideration of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing and announcements, as well as the principle of authorization of the general meeting to the Board of Directors. The content of authorization shall be clear and specific. The rules of procedure for the general meeting shall be annexed to the Articles of Association and shall be prepared by the Board of Directors and approved by the general meeting.

Article 71 At the annual general meeting, the Board of Directors and the Supervisory Committee shall make report on their work in the past year to the general meeting. Each independent director shall also make his/her duty report.

Article 72 The directors, supervisors and senior management members shall provide explanations and statements relating to the queries and suggestions put forward by the shareholders at the general meeting.

Article 73 The chairman of the meeting shall declare the number of attending shareholders and proxies and the total number of shares with voting rights they hold prior to voting. To determine the number of shareholders and proxies present and the total number of shares with voting rights they hold, the meeting register shall prevail.

Article 74 The general meeting shall have meeting minutes, and secretary to the Board of Directors shall be responsible for the meeting minutes. The meeting minutes shall contain the following contents:

(I) the time, venue of, and the agenda for, the meeting, and the name or title of the convener;

(II) names of the chairman of the meeting and the directors, supervisors, secretary to the Board, manager and other senior management members attending the meeting or attending the meeting as non-voting attendee;

(III) the number of shareholders and proxies present at the meeting, the total number of voting shares held and their respective proportions in the total number of shares of the Company;

(IV) the consideration process, summaries of speeches and voting result for each proposal;

(V) the inquiries or suggestions from the shareholders and the corresponding answers or explanations;

(VI) names of lawyer (if any), vote counters and scrutineers;

(VII) other contents that should be included in the meeting minutes as required by the Articles of Association.

Article 75 The convener shall guarantee the authenticity, accuracy and integrity of the contents of the meeting minutes. The directors, supervisors, secretary to the Board, convener or their representatives who attended the meeting, and the chairman of the meeting shall sign the meeting minutes. The meeting minutes shall be maintained together with the registration record of the shareholders present, the power of attorney for proxy attendance, and the valid documents relating to the voting over network and other forms of voting for a period of 10 years.

Article 76 The convener shall ensure that the general meeting is held continuously until the final resolution is made. If the general meeting is suspended or the resolution cannot be made due to force majeure or other special causes, necessary measures shall be taken to resume the general meeting as soon as possible or directly terminate the general meeting, and make a responsive announcement.

Section 6 Voting and Resolutions at General Meetings

Article 77 Resolutions of general meetings include ordinary resolutions and special resolutions.

Ordinary resolution at a general meeting shall be adopted by more than half of the voting rights held by shareholders (including their proxies) present at the general meeting.

Special resolution at a general meeting shall be adopted by more than two-thirds of the voting rights held by shareholders (including their proxies) present at the general meeting.

Article 78 The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(I) the work reports of the Board of Directors and the Supervisory Committee;

(II) the profit distribution plans and plans for making up losses drafted by the Board of Directors;

(III) the dismissal and remuneration of the members of the Board of Directors and the Supervisory Committee and the method of payment of the remuneration;

(IV) the matters other than those laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the places where the Company's shares are listed or the Articles of Association require to be adopted by special resolution.

Article 79 The following matters shall be resolved by way of special resolutions at a general meeting:

(I) increase or reduction of the registered capital of the Company;

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

(III) amendments to the Articles of Association;

(IV) purchase or sale of major assets or guarantee to others within one year exceeding 30% of the latest audited total assets of the Company;

(V) equity incentive schemes;

(VI) other matter as required by laws, administrative regulations, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company' shares are listed or the Articles of Association, and matters which, as resolved by way of an ordinary resolution at a general meeting, will have a material impact on the Company and need to be approved by way of special resolution.

Article 80 Shareholders (including their proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share, except for particular shareholders who are required to abstained from voting on particular matters pursuant to the requirements of the Hong Kong Listing Rules. On a poll, a shareholder (including a proxy) entitled to two or more votes need not cast all his votes as affirmative, negative or abstention votes.

Where any shareholders are required to abstain from voting on a particular matter or can only vote either in favor of or against pursuant to Hong Kong Listing Rules, such shareholders shall abstain from voting or cast their votes according to such regulations. Any votes in violation of the relevant regulations or restrictions casted by such shareholders or their proxies will not be calculated into the voting results.

When the general meeting considers major matters affecting the interests of small and medium-sized investors, the votes of small and medium-sized investors shall be counted separately. The results of the separate vote counting shall be publicly disclosed in a timely manner.

Shares in the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a general meeting.

Any shareholder who purchases shares of the Company with voting rights in violation of the provisions of Paragraphs 1 and 2 under Article 63 of the Securities Law shall not exercise voting rights in respect of the shares exceeding the specified proportion within thirty-six months after the purchase, and such shares shall not be counted into the total shares with voting rights represented by shareholders present at the general meeting.

The Board of Directors, independent directors, shareholders holding more than 1% of the voting shares or the investor protection institution established in accordance with laws, administrative regulations or the provisions of the CSRC may collect voting right of shareholders publicly. Information of specific voting intention shall be fully disclosed to the collected for collection of voting rights from shareholders. It's forbidden to collect voting rights of shareholders in way of compensation or disguised compensation. Except for statutory conditions, the Company cannot impose a minimum shareholding percentage threshold for the collection of voting rights.

Article 81 When connected transactions are considered at the general meeting, the connected shareholders and their close associates (as defined in Hong Kong Listing Rules) shall not participate in voting, and the number of voting shares represented by them shall not be counted into the total number of valid votes. The announcement of any resolution made at the general meeting shall adequately disclose information relating to voting by non-connected shareholders.

Prior to the consideration of the connected transactions at the general meeting, the Company shall determine the scope of connected shareholders in accordance with the relevant laws, regulations, the Hong Kong Listing Rules and the regulatory requirements of the securities regulatory authorities in the place where the Company's shares are listed. Connected shareholders or their authorized representatives may attend the general meeting and explain their views to the shareholders attending the meeting in accordance with the procedures of the meeting, but shall abstain from voting when voting.

If a connected shareholder does not voluntarily abstain from voting, other shareholders attending the meeting shall have the right to request him/her to abstain from voting. After the withdrawal of such connected shareholder, other shareholders shall vote in accordance with their voting rights and pass corresponding resolutions in accordance with the provisions of the Articles of Association. The withdrawal and voting procedures of the connected shareholder shall be notified by the host of the general meeting and recorded in the minutes of the meeting.

A resolution on a connected transaction at a general meeting must be passed by more than half of the votes cast by the non-connected shareholders present at the general meeting. However, when such a connected transaction involves a matter that requires a special resolution as stipulated in the Articles of Association, the resolution of the general meeting must be passed by more than two-thirds of the voting rights held by the non-connected shareholders present at the general meeting.

Article 82 Unless the Company is in a crisis or under other special circumstances, the Company shall not, without the approval by special resolutions at a general meeting, enter into contracts with persons other than directors, manager and other senior management members granting that person responsibility for the management of all or part of the Company's material business.

Article 83 List of nominations for the candidates for directors and supervisors shall be submitted by way of proposal at the general meeting for voting. The approaches and procedures for nomination of directors and supervisors are as follows:

(I) the nomination committee of the Board of Directors and Supervisory Committee shall be entitled to recommend the candidate of non-independent director to the Board of the Company and provide the resume and basic information of the candidate of non-independent director, and present the same at the general meeting for election.

shareholder(s) severally or jointly holding more than 3% of the total share capital of the Company shall have the right to recommend a list of candidates for non-independent directors or for supervisors provided that the supervisor candidates are not employee's representatives, in which case such shareholder(s) shall provide the resume and basic information of each of such candidates, and present the same at the general meeting for election.

existing supervisors shall have the right to recommend any supervisor candidate who is not employee representative to the Supervisory Committee of the Company, in which case they shall provide the resume and basic information of the supervisor candidate, and after the Supervisory Committee conducts a qualification review, the same shall be submitted to the general meeting for election.

(II) the employee representative included in the Supervisory Committee shall be democratically elected by the employee representatives' meeting and other democratic means.

(III) the Board of Directors, Supervisory Committee or shareholder(s) severally or jointly holding 1% or above issued shares of the Company may recommend candidates for independent directors.

When a voting is made on election of directors or supervisors at a general meeting, the cumulative voting system may be adopted in accordance with the requirement of these Articles of Association or the resolutions of the general meeting.

A cumulative voting system shall be implemented when two or more independent directors are elected at the general meeting.

Article 84 In addition to the cumulative voting system, the general meeting shall resolve on all the proposals separately. In the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the general meeting is suspended or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the general meeting.

Article 85 No amendment shall be made to a proposal when it is considered at a general meeting, otherwise such amendments shall be deemed as a new proposal and shall not be voted at the current general meeting.

Article 86 The same voting right can only be exercised in only one form: onsite, online or otherwise. Where the same voting right is exercised more than once, the voting result of the first time shall prevail.

Article 87 The general meeting shall be voted by open ballot.

Article 88 Before proposals are voted on at the general meeting, two shareholders' representatives shall be elected to participate in vote counting and scrutinizing. When any shareholder is related to any matter under consideration, the said shareholder and proxy thereof shall not participate in vote counting or scrutinizing.

At the time of deciding on a proposal by voting at a general meeting, lawyers (if any), shareholders' representatives and supervisors' representatives, and other relevant parties appointed in accordance with the Hong Kong Listing Rules shall jointly count and scrutinize the votes, in compliance with the provisions of the Hong Kong Listing Rules. The voting results shall be announced immediately at the meeting and recorded in the minutes of the meeting.

Shareholders or their proxies voting via the network or other means shall have the right to check their voting results via the corresponding voting system.

Article 89 A on-site general meeting shall not end before that held on-line or otherwise, and the chairman of the meeting shall announce the voting status and results of each proposal and announce whether the proposal is adopted or not based on the voting results.

Prior to the formal announcement of voting results, the relevant parties involved in relation to the on-site voting, on-line or otherwise at the general meeting, including the Company, the persons responsible for counting votes and scrutinizing the voting, the substantial shareholders, and internet service provider shall be obliged to keep the voting status confidential.

Article 90 The shareholders attending the general meeting shall express one of the following opinions on the proposal to be voted on: for, against, or abstain, save for the circumstance under which the securities registration and settlement institution, acting as the nominal holder of shares under the Mainland China-Hong Kong Stock Connect Program, may express opinions in accordance with the instruction of the de facto holders.

A blank, wrongly filled, or illegible vote, or an uncast vote shall be deemed to be a waiver of the voting right of the voter, and the voting result for the number of shares he/she holds shall be accounted as "abstention".

Article 91 If the chairman of the meeting has any doubts as to the result of a resolution which has been put to vote at the general meeting, he/she may have the votes counted. If the chairman of the meeting has not counted the votes, any shareholder present in person or by proxy who objects to the result announced by the chairman of the meeting may, immediately after the declaration, demand that the votes be counted, and the chairman of the meeting shall have the votes counted immediately.

Article 92 Resolutions of general meeting shall be announced in a timely manner. The announcements shall set forth the number of shareholders and proxies present at the meeting, the total number of voting shares held and the proportion to the total number of voting shares of the Company, the voting method, the voting results on each proposal and the details of each of the resolutions passed.

Article 93 Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.

Article 94 If the general meeting approves a proposal for the election of directors or supervisors, the newly elected directors and supervisors shall be deemed qualified and shall assume office from the date the resolution is passed.

Article 95 If the general meeting passes the proposal on cash dividends, bonus shares or conversion of capital reserve into share capital, the Company shall implement the specific scheme in 2 months after the end of the general meeting.

CHARTER 5 BOARD OF DIRECTORS

Section 1 Directors

Article 96 Directors of the Company shall be natural persons. The following persons may not serve as a director of the Company:

(I) a person who is unable or has limited ability to undertake any civil liabilities;

(II) a person who has been convicted of an offense of bribery, corruption, embezzlement or misappropriation of property, or the destruction of socialist market economy order; or who has been deprived of his/her political rights due to such crimes, in each case where less than five years have elapsed since the date of completion of the sentence, in case of a suspended sentence, not more than two years have elapsed since the date of expiry of the probationary period;

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

(IV) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law and has been ordered to close down and the person was personally responsible, where less than three years have elapsed since the date of such revocation or the order for closure; or

(V) being listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of debts which has fall due.

(VI) a person who has been subject to a securities market ban by the CSRC, and the period has not expired;

(VII) a person who is publicly identified by the stock exchange as being unsuitable to serve as a director or senior management member of a listed company for a period which has not yet expired;

(VIII) other contents stipulated by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Where any director is elected or appointed in violation of this Article, such election or appointment shall be void. Where any director meets the conditions specified in this Article during his/her term of office, he/she shall be removed from office and cease to perform his/her duties.

Article 97 Directors shall be elected or replaced by the general meeting, and may further be removed from their office prior to the conclusion of the term thereof by the general meeting. Directors shall have a term of three years, renewable upon expiry if re-elected.

A director's term of office shall commence from the date when he/she takes office and end upon expiry of the term of the current session of the Board of Directors. The existing director shall continue to perform the duties of a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association after the expiry of his/her term if no re-election is held in time.

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

Any person appointed by the Board of Directors to fill a temporary vacancy on or as an addition to the Board of Directors shall hold office only until the next annual general meeting of the Company, and shall then be eligible for re-election, provided that the laws, regulations, and the regulatory rules of the place where the Company's shares are listed are not violated.

Article 98 Directors shall comply with the laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association, and shall owe a duty of loyalty to the Company, shall take measures to avoid conflicts between their own interests and the interests of the Company, and shall not make use of their positions to gain undue advantage. The directors shall perform the following duties of loyalty to the Company:

(I) not to embezzlement of the Company's properties and misappropriating the Company's funds;

(II) not to deposit the Company's funds into accounts under his/her own name or the name of other individuals;

(III) not to utilise power to accept bribe or accept other illegal income;

(IV) not directly or indirectly conclude any contract or engage in any transaction with the Company before reporting to the Board of Directors or the general meeting and obtaining approval by a resolution of the Board of Directors or the general meeting in accordance with the provisions of the Articles of Association;

(V) not to use the advantages provided by their own positions to pursue business opportunities that shall have otherwise been available to the Company for themselves or others, unless reported to the Board of Directors or the general meeting and approved by a resolution of the general meeting, or the Company is not able to take advantage of the business opportunities in accordance with the laws, administrative regulations or the provisions of the Articles of Association;

(VI) not to engage in the business similar to those of the Company either for their own account or for the account of any other person without reporting to the Board of Directors or the general meeting and obtaining approval by a resolution of the general meeting;

(VII) not to accept and possess commissions paid by others for transactions conducted with the Company;

(VIII) not to make unauthorized disclosure of any secret of the Company;

(IX) not to use their connections to harm the interests of the Company;

(X) other loyalty obligation stipulated in the laws, administrative regulations, departmental rules, other securities regulatory rules of the place where Company's share are listed and the Articles of Association.

The income obtained by any director in violation of this Article shall belong to the Company; any director who causes losses to the Company shall be liable for compensation.

The provisions in subparagraph (IV) of the second paragraph of this Article shall apply to contracts or transactions entered into by the close relatives of directors and the senior management members, directors, the senior management members or enterprises directly or indirectly controlled by their close relatives, and connected persons with whom the directors, supervisors or the senior management members have other related relationships with the Company.

Article 99 Directors shall abide by laws, administrative regulations and the Articles of Association, and fulfill the obligations of diligence to the Company, and exercise the reasonable care normally expected of a manager in the best interests of the Company in the performance of their duties.

Directors shall have the following diligent obligations to the Company:

(I) shall prudently, earnestly and diligently exercise the powers the Company grants to them to ensure that the Company conducts its commercial activities in a manner that complies with the requirements of state laws, administrative regulations and state economic policies, and that the commercial activities do not go beyond the scope of the business activities stipulated in the business license;

(II) shall treat all shareholders fairly;

(III) shall maintain a timely awareness of the business operation and management of the Company;

(IV) shall sign written statements confirming the regular reports of the Company, and ensure that the information disclosed by the Company is true, accurate and complete;

(V) shall provide relevant true details and information to the Supervisory Committee and shall not obstruct the Supervisory Committee from performing its or their duties;

(VI) other obligations of diligence stipulated in the laws, administrative regulations, departmental rules and other securities regulatory rules of the place where the Company's shares are listed, and the Articles of Association.

Article 100 If any director fails to attend in person or appoint other directors as his/her representative to attend meetings of the Board of Directors for two consecutive times, such director shall be deemed to have failed to perform his duties, and the Board of Directors shall propose to replace such director at the general meeting. Subject to comply with the securities regulatory rules of the place where shares of the Company are listed, any director attending the Board meeting by internet, video, telephone or other equivalent means, shall also be deemed to be present in person thereat.

Article 101 A director may resign before the expiration of his term of office. The resigning director shall submit a written resignation to the Company. The resignation shall take effect on the day when the Company receives the resignation report, and the Company shall make relevant disclosure within 2 trading days.

In the event that the resignation of any director results in the number of members of the Board of Directors being less than the statutory minimum requirement, the said director shall continue to perform duties as a director pursuant to the laws, administrative regulations, departmental rules and the Articles of Association until a new director is elected and assumes his/her office.

Save for the circumstances stated in the preceding paragraph, the resignation of a director shall become effective upon receipt of the resignation report by the Company.

Article 102 The general meeting may resolve to dismiss a director and the dismissal shall take effect on the date the resolution is made.

If a director is dismissed before the expiration of his/her term of office without a valid reason, the director may request the Company to compensate him/her.

Unless otherwise provided by laws, regulations, or the regulatory rules of the place where the Company's shares are listed, the Company may remove any director (including any executive director) before the end of their term by an ordinary resolution passed at a general meeting. Such removal shall not affect any right the director may have to claim damages under any contract.

Article 103 The Company has established a system for managing the departure of directors, which specifies the safeguards for pursuing and recovering liabilities for unfulfilled public commitments and other outstanding matters. When resignation of a director takes effect, his or her term of office expires or he or she is dismissed, he or she shall duly carry out all handover procedures with the Board. His or her fiduciary duty to the Company and the shareholders shall not be dismissed after the expiry of term and remain effective within the reasonable period specified by these Articles of Association. The liability of a director arising from the performance of his/her duties while in office shall not be exempted or terminated due to his/her separation from the Company. His/her obligation to keep business secrets of the Company, including core technologies, is still effective after the end of his/her term, until the secret becomes public information, and he/she shall not use the company's core technology to engage in businesses that are the same as or similar to those of the listed company. The duration of other obligations shall be determined according to the principle of fairness, depending on the length of time between the occurrence of the event and the departure, as well as the circumstances and conditions under which the relationship with the Company ends.

Article 104 No director shall act on behalf of the Company or the Board of Directors in his personal capacity, unless specified under the Articles of Association or legally authorized by the Board of Directors. In the event that a director is acting in his personal capacity, but may be reasonably deemed to be acting on the behalf of the Company or the Board of Directors by a third party, such director shall state his stance and capacity in advance.

Article 105 If a Director, in the performance of his/her duties, causes damage to others, the Company will be liable for compensation; the director shall also be liable for compensation if there is intentionality or gross negligence on his/her part. Any director who violates any laws, administrative regulations, departmental rules or the Articles of Association in performing his/her duties and thereby incurring losses to the Company shall be liable for indemnification for such losses. A director who leaves his office without authorization before the end of his/her term of office shall be liable for any loss suffered by the Company as a result of his departure.

Article 106 The Company has independent directors and the issues including conditions of appointment, nomination and election procedures, tenure of office, resignation and power of the independent directors are implemented in accordance with the relevant provisions of the laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Section 2 Board of Directors

Article 107 The Company shall establish a Board of Directors.

Article 108 The Board of Directors shall consist of seven members, including one chairman. Directors shall consist of executive directors, non-executive directors and independent directors.

Independent Directors should perform their duties independently without being subject to the influence of the substantial shareholders or de facto controller or other stakeholders (whether an individual or an entity) of the Company, substantial shareholders or de facto controller.

Independent Directors shall have sufficient time and efforts to effectively perform duties of the independent Director.

Article 109 The Board of Directors shall exercise the following powers and duties:

(I) to convene a general meeting and report its work to such meeting;

(II) to implement the resolutions of a general meetings;

(III) to decide on operation plans and investment plans for the Company;

(IV) to prepare the Company's profit distribution plans and loss recovery plans;

(V) to prepare the plan for the Company to increase or reduce its registered capital, issue bonds or other securities and listing plans;

(VI) to prepare plans of the Company with respect to material acquisitions and acquisitions of the Company's shares or merger, division, dissolution or change in the form of the Company subject to the provisions of securities regulatory rules of the place where the Company's shares are listed;

(VII) within the scope of authorisation by the general meeting, to decide on matters such as foreign investment, acquisition and sale of assets, pledge of assets, external guarantee matters, entrusted financial management, connected transactions, and external donations;

(VIII) to decide on the establishment of the Company's internal management structure;

(IX) to decide to appoint or remove the general manager, secretary of the Board and other senior management members of the Company, and decide on the remunerations and rewards and punishments thereof; to decide to appoint or remove the deputy general manager, financial controller and other senior management members of the Company nominated by the general manager, and decide on the remunerations and rewards and punishments thereof;

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

(XI) to prepare plans to amend the Articles of Association;

(XII) to manage the disclosure of information of the Company;

(XIII) to propose to the general meeting with respect to the appointment or replacement of the accounting firm for the audit of the Company;

(XIV) to receive the work report of the general manager of the Company and examine such work;

(XV) to consider and approve (1) all transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) where the percentage ratios calculated pursuant to the percentage ratio requirement under Rule 14.07 of the Hong Kong Listing Rules are less than five percent (5%) and the consideration includes the trading shares to be issued for listing, (2) any disclosable transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio) where the applicable percentage ratios are five percent (5%) or more but all are less than twenty five percent (25%), or (3) any partially exempt connected transactions and non-exempt connected transactions (including one-off transactions and a series of transactions requiring a combined percentage ratio, but excluding any connected transactions exempt from disclosure or announcement under the Hong Kong Listing Rules or approved by the Hong Kong Stock Exchange) where any one of the percentage ratios (other than the profit ratio) calculated pursuant to the percentage ratio requirement under Rule 14.07 of the Hong Kong Listing Rules amounts to 0.1 percent (0.1%) or more but less than five percent (5%);

(XVI) other duties and powers specified in laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed or conferred by the Articles of Association and general meeting.

Matters which are out of the scope of authorization by the general meeting, shall be submitted to the general meeting for review.

Article 110 The Board of Directors of the Company shall establish audit committee, remuneration and appraisal committee and nomination committee, and other relevant special committees as required. The special committees shall be accountable to the Board of Directors, and perform their duties in accordance with the Articles of Association and the authorizations of the Board of Directors. The proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. All members of each special committee shall be exclusively composed of directors. In particular, the audit committee, the remuneration and appraisal committee and the nomination committee shall be chaired by an independent director. The chairman of each special committee shall be appointed or dismissed by the Board of Directors.

Any resolution of the audit committee shall be passed by a majority of the members of the audit committee.

Each member shall have one vote when voting on a resolution of the audit committee.

A resolution of the Board of Directors on the following matters shall be passed by a majority of all the members of the audit committee before it is made:

(I) the engagement or dismissal of the accounting firm that undertakes the Company's auditing business;

(II) the appointment or dismissal of the person in charge of finance;

(III) the disclosure of the financial accounting report;

(IV) other matters stipulated in the rules of the securities regulatory authorities under the State Council or other securities regulatory rules of the place where the Company's shares are listed/quoted.

The Board of Directors is responsible for formulating the rules of procedure and work protocols of the special committees and regulating the operation of the special committees.

Article 111 The audit committee shall consist of at least three directors, all of whom shall be non-executive directors, with the majority being independent directors. The majority members thereof shall neither hold positions within the Company other than as directors, nor have any relationship with the Company that may affect their independent and objective judgment. At least one member shall be an independent director with appropriate professional qualification or appropriate accounting or related financial management expertise as stipulated in the Hong Kong Listing Rules. The chairman of the audit committee shall be an accounting professional among the independent directors.

Article 112 The audit committee shall exercise the following powers and duties:

(I) to make recommendations to the Board of Directors regarding the appointment, reappointment, and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to handle issues relating to its resignation or dismissal of the auditor;

(II) to review and monitor the independence and objectivity of the external auditor and the effectiveness of the audit process in accordance with applicable standards. The committee should discuss with the auditor the nature, scope of the audit and reporting responsibilities prior to the commencement of an audit;

(III) to formulate and implement policies regarding the engagement of the external auditor to provide non-audit services. For this purpose, the term "external auditor" includes any entity under common control, ownership, or management with the audit firm, or any entity that a third party, reasonably informed of all relevant information, would reasonably conclude to be part of the domestic or international operations of the audit firm. The Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

(IV) to monitor the integrity of the Company's financial statements, annual reports, accounts, half-year reports and, if prepared for publication, quarterly reports, and to review significant judgements on financial reporting contained in them. In reviewing these reports before submission to the Board of Directors, the committee should focus particularly on:

  (i) any changes in accounting policies and practices;

  (ii) areas involving significant judgments;

  (iii) major adjustments resulting from the audit;

  (iv) the going concern assumption and any qualified opinions;

  (v) compliance with accounting standards; and

  (vi) compliance with the Listing Rules and legal requirements relating to financial reporting;

(V) regarding (IV) above:

  (i) members of the committee shall liaise with the Board and senior management members, and the committee shall meet at least twice a year with the auditor of the Company; and

  (ii) the committee shall consider any significant or unusual matters reflected or required to be reflected in such reports and accounts, and it shall give due regard to any matters raised by the Company's accounting and financial reporting personnel, compliance officers, or the audit firm;

(VI) to review the Company's financial control, risk management and internal control systems;

(VII) to discuss the risk management and internal control systems with the management to ensure the management has fulfilled its duties to establish effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programs provided to employees and relevant budgets in respect of the Company's accounting and financial reporting function;

(VIII) to consider major investigation findings on risk management and internal control matters on its own initiative or as delegated by the Board and the management's responses to these findings;

(IX) to ensure the coordination between the internal audit department and the external auditor if the Company has an internal audit function, and that the internal audit function has been adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;

(X) to review the financial and accounting policies and practices of the Company and its subsidiaries;

(XI) to review external auditor's letters to the management, as well as any material queries raised by the auditor to the management regarding accounting records, financial accounts or monitoring systems, and the management's responses;

(XII) to ensure that the Board will provide a timely response to the issues raised in the external auditor's letters to the management;

(XIII) to report to the Board on the matters related to the Corporate Governance Code;

(XIV) to review the arrangements established by the Company whereby employees can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters, and to ensure that proper arrangements are in place for fair and independent investigation of such matters and for appropriate follow-up actions;

(XV) to formulate whistle blowing policies and systems to ensure that the Company's employees and other parties in contact with the Company or its subsidiaries (such as customers and suppliers) can, in confidence and anonymously, raise their concerns on any possible improper matter regarding the Company or its subsidiaries;

(XVI) to act as the key representative between the Company and the external auditor, and to be responsible for overseeing the relationship between the two parties;

(XVII) to review the Company's continuing connected transactions and to ensure compliance with the terms approved by the Company's shareholders;

(XVIII) other matters mandated by the Board of Directors and other matters specified in relevant national laws and regulations; and

(XIX) other relevant requirements stipulated in the Hong Kong Listing Rules, as amended from time to time, pertaining to the duties and authorities of the audit committee.

Article 113 The majority of the members of the remuneration and appraisal committee shall be independent directors.

Article 114 The remuneration and appraisal committee shall exercise the following powers and duties:

(I) to make recommendations to the Board on the remuneration policy and structure for all directors and the Company's senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;

(II) to review and approve the management's remuneration proposals with reference to the corporate goals and objectives resolved by the Board of Directors from time to time;

(III) to make recommendations to the Board of Directors on the remuneration packages of the Company's executive directors and senior management, including benefits in kind, pension rights and compensation payments (including any compensation payable for loss or termination of their office or appointment);

(IV) to make recommendations to the Board of Directors regarding the remuneration of non-executive directors;

(V) to consider salaries paid by comparable companies, time commitment and responsibilities of directors and senior management of the Company and employment conditions elsewhere in the Company and its subsidiaries;

(VI) to review and approve compensation payments and arrangements to directors and senior management of the Company for any loss or termination of their office or appointment, or dismissal or removal for misconduct to ensure that proposed compensation payments or arrangements are consistent with relevant contractual terms, and are otherwise fair, reasonable, appropriate and not excessive;

(VII) to ensure that no director or any of his/her associates (as defined in the Hong Kong Listing Rules) is involved in deciding his/her own remuneration;

(VIII) to review and/or approve matters relating to share schemes under Chapter 17 of the Hong Kong Listing Rules;

(IX) to formulate the remuneration plan or package, which mainly includes but is not limited to performance evaluation standards, procedures and core evaluation systems, as well as primary reward and penalty schemes and policies;

(X) to examine the performance of the directors and senior management members, and conduct annual performance appraisals for them;

(XI) to supervise the implementation of the remuneration policy of the Company;

(XII) other duties required by the national laws and regulations, the Hong Kong Listing Rules and the Board of Directors.

Article 115 The majority of the members of the nomination committee shall be independent directors, and the chairman of the nomination committee shall be an independent director.

Article 116 The nomination committee shall exercise the following powers and duties:

(I) to make recommendations to the Board on the scale and composition of the Board, the review of the structure, size and composition (including the skills, knowledge and experience) of the Board of Directors at least annually and any proposed changes to the Board of Directors to complement the Company’s corporate strategy based on the Company’s business operations, asset size and shareholding structure;

(II) to study the criteria and procedures for selecting directors and senior management members, and make recommendations to the Board of Directors;

(III) to extensively search for qualified candidates for directors and senior management members;

(IV) to review and make recommendations on the candidates for directors and senior management;

(V) to review and make recommendations on other senior management members whose engagement shall be submitted to the Board of Directors for approval;

(VI) to assess the independence of independent non-executive directors according to the Hong Kong Listing Rules;

(VII) to make recommendations to the Board of Directors on the appointment or reappointment of directors and succession planning for directors, in particular the chairman of the Board of Directors and the chief executive officer;

(VIII) to develop a policy concerning the diversity of Board of Directors and disclose such policy or a summary of the policy in the corporate governance report;

(IX) other matters prescribed by national laws and regulations, the Hong Kong Listing Rules and authorized by the Board of Directors.

Article 117 The Board of Directors of the Company shall explain to the general meeting on any non-standard audit opinion issued by the certified public accountants for the financial report of the Company.

Article 118 The Board of Directors shall formulate the rules of procedures for the Board of Directors, in order to ensure that the Board of Directors implements the resolutions of the general meeting, improve the work efficiency and make scientific decisions.

The rules of procedures for Board of Directors as the annex of the Articles of Association, shall be formulated by the Board of Directors and approved by the general meeting.

Article 119 The Board of Directors should confirm the authorizations and formulate stringent examination and decision-making procedures for external investments, acquisitions or disposal of assets, mortgage of assets, external guarantees, entrusted wealth management, connected transactions, external donation and other matters; and any material investment projects shall be assessed and examined by specialists or professional personnel organized to do so and shall be submitted to the general meeting for approval thereafter.

Article 120 The Board of Directors shall have one chairman. The chairman of the Board of Directors shall be elected by a simple majority of all directors of the Board of Directors.

Article 121 The chairman of the Board of Directors shall exercise the following powers and duties:

(I) to preside over the general meetings and to convene and preside over the meetings of the Board of Directors;

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

(III) other functions and powers conferred by the Board of Directors.

The chairman of the Board of Directors shall make decisions prudently in the event of matters that may have a significant impact on the Company's operations when exercising powers within the scope of his duties and powers (including authorization), and shall submit to the Board of Directors for collective decision-making when necessary.

Article 122 If the chairman of the Board of Directors is unable or fails to discharge his/her duties, more than a half of the directors shall designate a director to preside over the meeting.

Article 123 Meetings of the Board of Directors are divided into regular and interim meetings.

The regular meeting of the Board of Directors shall be convened at least twice a year and be convened by the chairman of the Board, and a written notice of the meeting shall be given to all directors and supervisors 14 days before the meeting.

Article 124 Shareholders representing one-tenth or more of the voting rights, one-third or more of the directors or the supervisory committee may propose to convene an interim meeting of the Board of Directors. The chairman of the Board shall convene and preside over the Board meeting within ten days from the receipt of the proposal, and preside over such meeting.

Article 125 Where the Board of Directors convenes an interim meeting of the Board of Directors, the Board of Directors shall send a written notice on convening the meeting to all Directors by hand, fax, email or other means three days in advance. Where the notice is not served directly, telephone acknowledgement and relevant records shall be made. Where an interim meeting of the Board of Directors needs to be convened as soon as possible due to urgent circumstances, the notice of meeting may be served at any time by telephone or by other verbal means, provided that the convener shall give explanations at the meeting.

Article 126 A notice of the Board meeting shall contain the following details:

(I) the date and place of the meeting;

(II) the duration of the meeting;

(III) the purpose and the matters to be considered;

(IV) the date of the notice.

Article 127 The Board meeting may not be held unless more than half of the directors are present. Resolutions proposed by the Board of Directors shall be passed by more than half of all the directors.

One director shall receive one vote in the voting of a resolution of the Board of Directors.

Article 128 If a director or any of his/her close associate(s) (as defined under the Hong Kong Listing Rules) has connected relation or material interests with a matter proposed by the Board meeting, such director shall report in writing to the Board of Directors in a timely manner. Such director shall not exercise the voting right on such resolution and shall not vote on behalf of other directors, nor shall the director be counted in the quorum present at the meeting. Such Board meeting may be held if more than half of the directors who have no connection or material interests are present, and the resolutions made by the Board meeting shall be passed by more than half of the directors who have no connection or material interests present at the meeting. If the number of directors who have no connection or material interests present at the meeting is less than three, the matter shall be submitted to the general meeting for consideration.

Article 129 A vote at the Board meeting shall be taken by show of hands or by poll. Provided that the directors can be assured to fully express opinions in the interim Board meeting, such meeting may be conducted and resolutions be passed by telephone, video, fax, e-mail and other telecommunication means with the resolutions signed by the directors who have attended the meeting.

Article 130 Directors shall attend a Board meeting in person. If they are not able to attend the meeting for cause, they may authorize other directors in writing to attend the meeting on their behalf. A letter of authorization shall indicate the names of the proxy, matters of entrustment, the scope of authorization and its valid term, and shall be signed or sealed by the appointing director. The appointed director attending the meeting shall exercise the rights of a director within the scope of authorization. A director who fails to attend a Board meeting in person and fails to authorize any proxy to attend the meeting, shall be deemed to have waived the voting right in such meeting.

Article 131 The Board of Directors shall keep minutes of the decisions on matters discussed at meetings. The minutes shall be signed by the directors present at the meeting. The minutes of Board meetings shall be kept in corporate archives for a period of ten years.

Article 132 The minutes of Board meetings shall include the following details:

(I) the date, location and convener's name of the meeting;

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

(III) the agenda;

(IV) the major comments of the directors;

(V) the voting method and results of each resolution (the number of votes for, against the resolution and of abstention shall be specifically indicated).

Section 3 Independent Directors

Article 133 Independent directors shall earnestly fulfill their responsibilities in accordance with laws, administrative regulations, provisions of the CSRC, other securities regulatory authorities where the Company's shares are listed and provisions of the Articles of Association. They shall play a role in participating in decision-making, supervising and balancing, and providing professional advice in the Board of Directors to maintain the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Article 134 The Company shall have independent directors on its Board of Directors. The number of independent directors shall not be less than one-third of the Board of Directors and not fewer than three persons, one of whom must possess appropriate professional qualifications or have appropriate accounting or equivalent financial management expertise.

Article 135 The term of office for independent directors shall be the same as that of other company directors. Upon expiration of the term, they may be re-elected.

Section 4 Secretary to the Board

Article 136 The Company shall have a secretary of the Board of Directors. The secretary of the Board of Directors is a senior management members of the Company, responsible to the Board of Directors. The secretary of the Board of Directors shall be nominated by the chairman of the Board of Directors and appointed or dismissed by the Board of Directors.

The secretary of the Board of Directors shall comply with laws, regulations, normative documents, the Hong Kong Listing Rules, the working rules of the secretary of the Board of Directors, and relevant provisions of the Articles of Association.

Article 137 The secretary of the Board of Directors shall possess the necessary professional knowledge and experience to perform his/her duties, as well as good professional ethics and personal character.

The circumstances stipulated in Article 96 of the Articles of Association that prohibit the appointment of the director apply to the secretary of the Board of Directors as well.

Article 138 The Secretary of the Board of Directors is responsible for the preparation of the general meeting and meeting of the Board of Directors, the custody of meeting minutes and documents, the management of shareholder information, information disclosure, and other daily affairs; as well the secretary is responsible for filing the documents of the general meeting, the Board of Directors, and the Supervisory Committee with the securities regulatory departments of the place where the Company's shares are listed (if necessary).

Article 139 The Company shall sign a confidentiality agreement with the secretary of the Board of Directors at the time of appointment, requiring to promise to continue fulfilling the confidentiality obligations during the secretary's tenure and after leaving until relevant information is disclosed, except for information related to the Company's illegal activities.

Before leaving office, the secretary of the Board of Directors shall undergo a review of the departure by the Board of Directors and the Supervisory Committee, and transfer relevant archives and documents, as well as ongoing or pending matters, under the supervision of the Supervisory Committee.

In the event that the secretary of the Board of Directors of the Company is dismissed or resigns from his/her office, he/she shall complete the procedures for handover of duty. If the secretary of the Board of Directors fails to complete the procedures for handover of duty after submitting his/her resignation letter, he/she shall continue to assume his/her duties as the secretary of the Board of Directors. The resignation letter of the secretary of the Board of Directors shall become effective only after the completion of the work handover and the disclosure of the relevant announcement. Before the resignation report is effective, the secretary of the Board of Directors who intends to resign shall continue to perform his/her duties.

When there is a vacancy of the secretary of the Board of Directors, the Board of Directors of the Company shall designate a director or a senior management member to act as the person in charge of information disclosure, and shall appoint a succeeding secretary of the Board of Directors within 3 months. Before the appointment of such a person by the Company, the chairman of the Board of Directors shall act as the person in charge of information disclosure.

CHARTER 6 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT MEMBERS

Article 140 The Company shall have one general manager and several vice general managers, who shall be appointed or dismissed by the Board of Directors.

The general manager, vice general manager, chief financial officer and the secretary of the Board of Directors are the senior management members of the Company.

Article 141 The circumstances of disqualification for directors prescribed in Article 96 under the Articles of Association shall be applicable to senior management members. Senior management members owe fiduciary duties and duty of care. The provisions of Article 98 and Article 99 under the Articles of Association shall apply equally to senior management members.

Article 142 Any person who takes an administrative role other than a director or a supervisor in the controlling shareholders of the Company shall not serve as a senior management member of the Company.

The senior management member only receive remuneration in the Company, not paid by the controlling shareholders on their behalf.

Article 143 The term of office of a general manager shall be three years, and the general manager can be re-appointed.

Article 144 The general manager shall be accountable to the Board and exercise the following duties and powers:

(I) to take charge of the production operations and management tasks of the Company and organize the implementation of the Board's resolutions, and to report 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 specific rules of the Company;

(VI) to propose the appointment or dismissal of vice general managers and the chief financial officer;

(VII) to appoint or dismissal management officers, aside from those requiring the Board to decide the appointment or removal;

(VIII) other duties and powers as granted by the Articles of Association or the Board.

The general manager attends the Board meetings.

Article 145 The general manager shall formulate working rules of the manager, and may not be implemented unless approved by the Board.

Article 146 The general manager's working rules include the following contents:

(I) conditions, procedures and participants of the general manager's meeting;

(II) responsibilities and work allocation of the general manager and other senior management members;

(III) use of funds and assets of the Company, scope of authorization to enter into material contracts and reporting policies regarding the Board and the Supervisory Committee;

(IV) other matters which the Board deems necessary.

Article 147 The general manager and other senior management members can tender his/her resignation prior to the expiry of his/her term of office. The specific procedures and methods for resignation of senior management members shall be governed by the labor contract between the senior management members and the Company.

Article 148 The vice general manager shall assist the general manager in his/her duties. If the general manager is unable to perform his/her functions, the chairman may designate one vice general manager to act on his/her behalf.

Article 149 When a senior management member resigns, he/she shall submit a written resignation report and may not evade his/her duties by resigning or other means. The resignation report shall take effect upon delivery to the Board.

Article 150 If a senior management member, in the performance of his/her duties, causes damage to others, the Company will be liable for compensation; the senior management member shall also be liable for compensation if there is intentionality or gross negligence on his/her part. Any senior management member who violates any laws, administrative regulations, departmental rules or the Articles of Association in performing his/her duties and thereby incurring losses to the Company shall be liable for indemnification for such losses.

Article 151 The senior management members of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management members of the Company have caused damage to the interests of the Company and the public shareholders due to their failure to faithfully perform their duties or breach of their fiduciary duties, they shall be liable for compensation in accordance with the law.

CHARTER 7 SUPERVISORY COMMITTEE

Section 1 Supervisors

Article 152 The circumstances of disqualification for directors prescribed in Article 96 under the Articles of Association shall be applicable to supervisors.

Directors, general managers and other senior management members may not concurrently serve as supervisors. The spouses, parents and children of the directors and senior management members of the Company shall not serve as its supervisors during the tenure of the directors and senior management members of the Company.

Article 153 The supervisors shall observe the laws, administrative regulations, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed and the Articles of Association. They shall shoulder fiduciary duties and duty of care to the Company, and shall not accept any bribery or other illegal income by using his/her powers and position, or seize the assets of the Company.

The provisions of Articles 98 and 99 under the Articles of Association shall apply equally to supervisors.

Article 154 Each supervisor shall serve for a term of three years, and may be re-elected upon expiry of his/her term of office.

Article 155 Where the tenure of supervisors expires and re-election has not yet been made in a timely manner, or where a supervisor resigns during his/her tenure resulting in the number of supervisors falls below the quorum, the original supervisors shall (before the re-election of the new supervisors) continue to perform their duties as supervisors pursuant to the provisions of laws, administrative regulations and the Articles of Association.

Article 156 Supervisors shall ensure that information disclosed by the Company is true, accurate and complete and they shall sign on the regular reports with written confirmation.

Article 157 Supervisors shall attend Board meetings and may raise queries or proposals regarding matters resolved at such meetings.

Article 158 Supervisors shall not prejudice the interests of the Company by means of their connected relationship or they shall be liable for compensation for any loss caused to the Company.

Article 159 If supervisors have violated the provisions of any laws, administrative regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed or the Articles of Association in the course of performing their duties, which has caused losses to the Company, they shall be liable for compensation.

Section 2 Supervisory Committee

Article 160 The Company shall establish the Supervisory Committee. The Supervisory Committee shall be composed of three supervisors and one chairman. The chairman shall be elected by more than half of all the supervisors. The chairman of the Supervisory Committee shall convene and preside over the meeting of the Supervisory Committee; should the chairman be unable to or refuse to perform the duties, the supervisor elected by more than half of all supervisors shall convene and preside over the meeting.

The Supervisory Committee shall include shareholder representatives and an appropriate percentage of employee representatives of the Company. The percentage of the employee representatives shall account for not less than 1/3 of all members of the Supervisory Committee. The employee representatives of the Supervisory Committee shall be elected by employees of the Company at the employee representatives' meeting, the employee meeting or otherwise democratically.

Article 161 The Supervisory Committee shall exercise the following duties and powers:

(I) to review the regular reports of the Company prepared by the Board of Directors and to submit written review opinions thereon;

(II) to review the financial position of the Company;

(III) to supervise the performance of directors and senior management members of their duties to the Company, and propose dismissal of directors and senior management members that have violated the laws, administrative regulations, the Articles of Association or the resolutions of the general meetings;

(IV) to demand rectification by directors and senior management members when the acts of such persons are prejudicial to the Company's interest;

(V) to propose the convening of an extraordinary general meeting, and to convene and preside over the general meeting when the Board fails to perform such duties as specified by the Company Law;

(VI) to put forward proposals to general meetings;

(VII) to initiate litigations against directors and senior management member in accordance with provisions of Article 189 of the Company Law;

(VIII) to initiate investigations into any irregularities identified in the operation of the Company and, where necessary, may engage an accounting firm, a law firm and other professional institutions to assist their work at the Company's expense;

(IX) to require directors and senior management members to submit reports on the execution of their duties.

Article 162 Meetings of the Supervisory Committee are divided into regular meetings and interim meetings.

The Supervisory Committee meets at least once every six months. The Supervisory Committee may convene an interim meeting within ten days if one of the following circumstances arises:

(I) when any supervisor proposes to convene it;

(II) when the general meeting or the Board meeting passes a resolution that violates laws, regulations, departmental rules, the Hong Kong Listing Rules, other securities regulatory rules of the place where the Company's shares are listed, as well as the Articles of Association, resolutions of the Company's general meeting and other relevant provisions;

(III) when the misconduct of the directors and senior management members may cause material damage to the Company or create a bad influence in the market;

(IV) when the Company, directors, supervisors and senior management members are subject to litigation by shareholders;

(V) when the Company, directors, supervisors or senior management members are punished by the securities regulatory authorities or publicly condemned by the stock exchange;

(VI) other circumstances as provided for in the Articles of Association.

A meeting of the Supervisory Committee shall be held only when a majority of the supervisors are present. Resolutions of the Supervisory Committee shall be passed by a majority of all supervisors.

Voting on resolutions of the Supervisory Committee shall be carried out on a one-person-one-vote basis.

For convening the regular and interim meetings of the Supervisory Committee, the notice of the meeting shall be delivered in writing to all supervisors ten and five days before the meeting. In case of urgency and an interim meeting of the Supervisory Committee is required to be convened as soon as possible, the notice of the meeting may be delivered by telephone or other verbal means at any time, but the convener shall make explanations at the meeting.

Article 163 The Supervisory Committee shall formulate the rules of procedures of the Supervisory Committee, specifying the method for discussion and the voting procedures of the Supervisory Committee, so as to ensure the working efficiency and scientific decision-making of the Supervisory Committee.

The rules of procedures for the Supervisory Committee shall be appended to the Articles of Association, formulated by the Supervisory Committee and approved by the general meeting.

Article 164 The Supervisory Committee shall keep minutes of resolutions on matters discussed at the meeting, and the attending supervisors shall sign on the minutes of the meeting. A supervisor is entitled to request that an explanatory note be made on the minutes with regard to his/her speech at the meeting. The minutes of the meeting of the Supervisory Committee shall be properly kept as corporate files for ten years.

Article 165 A notice of meeting of the Supervisory Committee shall include the following:

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

(II) matters and agenda;

(III) date of issue of the notice.

CHARTER 8 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Section 1 Financial and Accounting System

Article 166 The Company formulates its financial and accounting system in accordance with laws, administrative regulations, and relevant national departments. If there are other provisions in the Hong Kong Listing Rules or the securities regulatory authorities of the place where the Company's stocks are listed, such provisions shall apply.

Article 167 The Company shall prepare its annual financial accounting report within four months from the end of each fiscal year, and prepare a semi-annual financial accounting report within two months from the end of the first six months of each fiscal year.

The above financial accounting reports are prepared in accordance with the relevant laws, administrative regulations, departmental rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed.

Article 168 The Company will not establish separate accounting books except for statutory accounting books. The assets of the Company shall not be stored in any individual's account.

Article 169 In distributing the profit after tax of the current year, the Company shall allocate 10% of the profits as the statutory reserve fund of the Company. When the cumulated amount of the statutory reserve fund of the Company has reached 50% or more of its registered capital, no further allocations are required.

If the statutory reserve fund of the Company is insufficient to make up for the losses of the preceding year, the profits of the current year shall first be used to make up the said losses before any statutory reserve fund is withdrawn as per the provision of the preceding paragraph.

After withdrawing the statutory reserve fund out of its after-tax profits, the Company may also allocate some of its after-tax profits into its discretionary reserve if so resolved by the general meeting.

After making up for the losses and making contributions to the common reserve fund, remaining profits after tax shall be distributed to the shareholders in proportion to their respective shareholdings, except it is stipulated in the Articles of Association.

If the Company Law is violated at the general meeting where the Company distributes profits to the shareholders, the shareholders shall return to the Company the profits distributed as a result of violation of the regulations. In case of losses caused to the Company, shareholders along with responsible director(s) and senior management member(s) shall be liable for compensation.

The Company's shares held by the Company are not entitled to any profit distribution.

Article 170 The reserve fund of the Company can be applied for making up for losses of the Company, expansion of the Company's production and operation or increasing the capital of the Company.

When the reserve fund is used to compensate the Company's losses, the discretionary reserve fund and statutory reserve fund should be used first. If these fail, the capital reserve fund may be used according to the regulations.

When the statutory reserve fund is converted into the increased registered capital, the remaining balance of the reserve fund cannot be less than 25% of the Company's registered capital prior to the conversion.

Article 171 If a general meeting has passed a resolution on distributing profits, the Board shall make the distribution within two months from the date when the general meeting has passed the resolution.

Article 172 The Company implements a positive profit distribution policy, pays attention to the reasonable return on investment of investors, and maintains continuity and stability. If it is necessary to adjust the profit distribution policy due to changes in the operating environment and situation of the Company, the Board of Directors shall formulate an adjustment plan on the basis of the interests of shareholders after detailed deliberation. After the Supervisory Committee and independent directors express clear opinions and subject to review and approval of the Board of Directors, it shall be submitted to the general meeting for review and approval by special resolution. The Company's profit distribution policy is to distribute dividend in cash or stock according to its actual operation performance in that year. The adjusted profit distribution policy shall not breach any regulations of the CSRC and other securities regulatory rules of the place where the Company's shares are listed.

Section 2 Internal Audit

Article 173 The Company shall establish an internal audit system with professional audit personnel to undertake internal auditing and supervision of the Company's financial income and expenditures and economic activities.

Article 174 The Company's internal audit system and the obligations of the auditors shall be approved for implementation by the Board of Directors. The person in charge of audit shall be responsible and report to the Board of Directors.

Section 3 Appointment of Accountant Firm

Article 175 The Company employs an accounting firm that complies with the provisions of the Securities Law, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed to conduct auditing of accounting statement, net asset verification and other related consulting services. The employment period is one year, and can be renewed.

Article 176 The Company shall engage an accounting firm to conduct auditing of accounting statement and other related businesses. The employment and dismissal of accounting firms by the Company must be decided at the general meeting, and the Board of Directors shall not appoint or dismiss accounting firms before the decision of the general meeting.

Article 177 The Company shall guarantee to provide the accounting firm it employs with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting materials, and shall not refuse, conceal or make false statements.

Article 178 The auditing fees of the accounting firm shall be determined at the general meeting.

Article 179 The Company shall notify the accounting firm 10 days in advance for the Company's dismissal or non-reappointment of the accounting firm. The accounting firm shall be allowed to state its opinions when the general meeting votes on dismissing the accounting firm.

If the accounting firm proposes to resign, it shall explain to the general meeting whether the Company has any improper situation.

CHARTER 9 NOTICES AND ANNOUNCEMENT

Section 1 Notices

Article 180 Notices of the Company may be delivered through the following means:

(I) by hand;

(II) by mail (including electronic mail, hereinafter the same);

(III) by announcement;

(IV) other means as provided for in the Articles of Association.

With regard to the way in which the Company provides or disseminates corporate communications to shareholders in accordance with the Hong Kong Listing Rules, and on the premise of complying with the laws and regulations of the place of listing, the Listing Rules and the Articles of Association, such communications may be transmitted via the website as designated by the Company and/or the website of the Hong Kong Stock Exchange or electronic means to its shareholders. The above corporate communications refer to any documents issued or to be issued by the Company for reference or action by shareholders or other persons as required by the Hong Kong Listing Rules, including but not limited to annual reports (together with annual financial reports), interim reports (together with interim financial reports and interim report notices), directors' reports (together with balance sheets and profit or loss statements), notices of meetings, listing documents, circulars and other communications. When a notice is given by way of announcement in the exercise of the powers provided in the Articles of Association, such announcement shall be published in accordance with the manner prescribed by the Hong Kong Listing Rules.

Article 181 Any notice of the Company given by announcement shall be deemed to be received by all relevant persons once such announcement is published.

Article 182 The notices of general meetings convened by the Company shall be served by hand, mail, announcement and other means.

Article 183 The notices of meetings of the Board of Directors convened by the Company shall be served by hand, mail, announcement and other means.

Article 184 The notices of meetings of the Supervisory Committee convened by the Company shall be served by hand, mail, announcement and other means.

Article 185 For a notice of the Company delivered by hand, the notice shall be deemed to be received upon signing (or affixing the seal) by the recipient on the note of receipt and the receipt date shall be the date of serve. If the notice is delivered by post, it shall be deemed to have been received after the seventh business day from the date upon which the post office receives the notice. If the notice is delivered by way of electronic mail, it shall be deemed to have been received on the date it arrives at the designated system. If the notice is delivered by way of announcement, it shall be deemed to have been received on the date on which the announcement is first published.

Article 186 The accidental omission to give notice of the meeting to, or the non-receipt of notice of the meeting by, any person entitled to receive notice shall not invalidate the meeting or the resolutions passed at the meeting.

Section 2 Announcement

Article 187 The Company shall issue announcements and disclose information to holders of domestic unlisted shares through newspapers and websites designated by the laws, administrative regulations or relevant domestic regulatory authorities for information disclosure. If it is required to make public announcements to the holders of H shares pursuant to the Hong Kong Listing Rules, relevant laws and regulations of the place where the Company' shares are listed, relevant requirements of securities regulatory authorities and the Articles of Association, the announcement shall also be published on designated newspapers, websites and/or company website in such manner as required by the Hong Kong Listing Rules.

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

Section 1 Merger, Division, Capital Increase and Capital Reduction

Article 188 The merger of the Company may take the form of either merger by absorption or merger by establishment of a new entity.

In case of merger by absorption, a company absorbs any other company and the absorbed company is dissolved. In case of merger by establishment of a new entity, two or more companies merge into a new one and the parties to the merger are dissolved.

The Company may merge with a company in which it holds more than 90% of the shares without a resolution of the general meeting, but shall notify the other shareholders, who shall have the right to request the Company to acquire their equity or shares at a reasonable price.

If the price paid by the Company for the merger does not exceed 10% of the net assets of the Company, it is not necessary to be approved by a resolution of the general meeting, unless otherwise specified in the Articles of Association.

If the Company merges in accordance with the provisions of the preceding two paragraphs without a resolution of the general meeting, it shall be approved by a resolution of the Board of Directors.

Article 189 When the Company is merged, the parties to the merger shall sign a merger agreement and prepare the balance sheets and asset checklists. The Company shall notify its creditors within ten days from the date of the merger resolution and announce it in the information disclosure media designated by the Company or on the National Enterprise Credit Information Publicity System within thirty days. Creditors may request the Company to settle its debts or provide corresponding guarantees within thirty days from the date of receipt of the notice, or within forty-five days from the date of the announcement if they have not received the notice.

Article 190 When the Company is merged, the debts and claims of the merging parties shall be assumed by the surviving company or the newly established company.

Article 191 When the Company is split, its property shall be divided accordingly. When the Company is split, it shall prepare the balance sheets and asset checklists. The Company shall notify its creditors within ten days from the date of making the resolution on the split, and announce it in the information disclosure media designated by the Company or on the National Enterprise Credit Information Publicity System within thirty days.

Article 192 The debts of the Company prior to the split shall be jointly and severally liable by the companies after the split. However, this shall not apply if the Company has reached a written agreement with the creditors on the settlement of debts prior to the split.

Article 193 When the Company needs to reduce its registered capital, it shall prepare the balance sheets and asset checklists.

The Company shall notify its creditors within ten days from the date of making the resolution to reduce its registered capital, and shall make an announcement in the information disclosure media designated by the Company within thirty days. Creditors shall have the right to request the Company to settle its debts or provide corresponding guarantees within thirty days from the date of receipt of the notice, or within forty-five days from the date of the announcement if they have not received the notice.

The registered capital of the Company after the capital reduction will not be less than the minimum amount required by law.

When the Company reduces its registered capital, it shall reduce the shares in proportion to the shareholdings of the shareholders, unless otherwise provided by law or by the Articles of Association.

After offsetting losses in accordance with paragraph 2 of Article 169 of the Articles of Association, if losses still remain, the Company may reduce its registered capital to cover such losses. In reducing registered capital to cover losses, the Company shall not distribute funds to shareholders, nor shall it exempt shareholders from their obligation to pay capital contributions or share subscription funds.

A reduction of registered capital in accordance with the preceding paragraph shall not be subject to the provisions of paragraph 2. However, the Company shall make a public announcement in a newspaper or on the National Enterprise Credit Information Publicity System within thirty days from the date on which the general meeting adopts the resolution to reduce registered capital.

After reducing its registered capital in accordance with the preceding two paragraphs, the Company shall not distribute profits until the accumulated statutory reserve funds and discretionary reserve funds reach fifty percent of the Company's registered capital.

Article 194 If a reduction of registered capital is carried out in violation of the Company Law or other applicable regulations, the shareholders shall return any funds received, and any exemptions from capital contributions shall be restored to their original state. Where such actions cause loss to the Company, the shareholders as well as the directors responsible and senior management members shall bear liability for compensation.

Article 195 When the Company issues new shares to increase its registered capital, shareholders shall not have pre-emptive rights to subscribe for the new shares, except as otherwise provided in the Articles of Association or as determined by a resolution of the general meeting.

Section 2 Dissolution and Liquidation

Article 196 The Company shall be dissolved for the following reasons:

(I) the business term stipulated in the Articles of Association has expired or other circumstances for dissolution specified in the Articles of Association arise;

(II) the general meeting has resolved to dissolve the Company;

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

(IV) the business license is revoked, or the Company is ordered to close down or is dissolved according to laws;

(V) if the Company suffers significant hardship in its operation and management, and the ongoing existence would bring significant losses for shareholders that cannot be resolved through other means, the shareholders holding more than ten percent of the total voting rights of the Company may request the People's Court to dissolve the Company.

If the Company encounters any of the dissolution causes specified in the preceding paragraph, it shall publicize the dissolution causes on the National Enterprise Credit Information Publicity System within 10 days.

Article 197 In the circumstance as set out in item (I) and (II) of Article 196 of the Articles of Association, and the Company has not distribute properties to the shareholders, the Company may survive by amending the Articles of Association or the resolution of the general meeting.

If this Articles of Association is amended subject to the aforesaid provisions or a resolution of the general meeting, it must be approved by more than two-thirds of the voting rights represented by the shareholders present at the general meeting.

Article 198 Where the Company is dissolved pursuant to the items (I), (II), (IV) and (V) of Article 196 of the Articles of Association, the Company shall be liquidated. The Directors shall be the liquidation obligors, and a liquidation team shall be formed within 15 days from the occurrence of the events of dissolution, to perform the liquidation. The liquidation team shall consist of the directors, unless otherwise stipulated in the Articles of Association or otherwise selected by a resolution of the general meeting. If a liquidation obligor fails to perform his/her liquidation obligations in a timely manner, thereby causing losses to the Company or the creditors, such liquidation obligor shall be liable for compensation.

Article 199 The liquidation team shall exercise the following functions and power during the period of liquidation:

(I) liquidating the properties of the Company, and preparing the balance sheets and asset checklists separately;

(II) informing creditors by a notice or public announcement;

(III) dealing with the outstanding businesses of the Company relating to liquidation;

(IV) clearing off the outstanding taxes and the taxes incurred from the process of liquidation;

(V) clearing off credits and debts;

(VI) distributing the residual properties after settling such debt;

(VII) participating in the civil litigation on behalf of the Company.

Article 200 The liquidation team shall, within 10 days of its formation, notify the creditors, and shall, within 60 days, make public announcements on the information disclosure media designated by the Company or on the National Enterprise Credit Information Publicity System. Creditors shall, within 30 days of the receipt of the notice or within 45 days of the release of the public announcement in the case of failure to receive said notice, file their creditors' rights with the liquidation team.

When declaring the claims, the creditors shall specify the relevant matters about the claims and provide corresponding evidence. The liquidation team shall register such claims.

During the period of declaration of claims, the liquidation team shall not repay any debts to the creditors.

Article 201 After the liquidation team has liquidated the properties of the Company and has prepared the balance sheets and checklists of properties, it shall prepare a plan of liquidation, and report it to the general meeting or the People's Court for confirmation.

The remaining assets that result from paying off the liquidation expenses, wages of employees, social insurance premiums and statutory compensation, the outstanding taxes and the debts of the Company may be distributed according to the ratios of shareholding of the shareholders.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to liquidation. The property of the Company shall not be distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

Article 202 After the liquidation team has liquidated the properties of the Company and has prepared the balance sheets and checklists of properties, if it discovers that the Company's properties are insufficient to repay its debts in full, it shall apply for bankruptcy liquidation with the People's Court in accordance with laws.

After the Company's bankruptcy application is accepted by the People's Court, the liquidation team shall prepare and hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.

Article 203 Upon completion of the Company's liquidation, the liquidation team shall prepare a liquidation report which shall be submitted to the general meeting or the People's Court for confirmation as well as submitting the same to the companies' registration authority for application for the cancellation of the Company's registration and for making public announcements in connection with the termination of the Company.

Article 204 The members of the liquidation team shall perform their liquidating functions with fiduciary duties and duty of care.

Members of the liquidation team neglecting to perform their liquidating functions, and thereby causing losses to the Company, shall be liable for compensation; where any of the members of the liquidation team cause any loss to the Company or any creditor by intention or due to gross negligence, he/she shall make corresponding compensations.

Article 205 Where the Company is declared bankrupt in accordance with laws, it shall implement bankruptcy liquidation in accordance with relevant laws relating to bankruptcy of enterprises.

CHAPTER 11 AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article 206 Under any one of the following circumstances, the Company shall amend the Articles of Association:

(I) after amendment has been made to the Company Law, the relevant laws, administrative regulations or the Hong Kong Listing Rules, the contents of the Articles of Association shall conflict with the amended laws, administrative regulations or the Hong Kong Listing Rules;

(II) the changes that the Company has undergone are not in consistence with the records made in the Articles of Association;

(III) the general meeting decides that the Article of Association should be amended.

Article 207 Where the amendments to the Articles of Association passed by resolutions of the general meetings require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved change shall be registered in accordance with the laws.

Article 208 The Board of Directors shall amend the Articles of Association in accordance with the resolution of the general meetings on amendment to the Articles of Association and the examination and approval opinions from competent authorities.

Article 209 Where the matters on the amendments to the Articles of Association constitute information that shall be disclosed under the laws and regulations, the Company shall disclose such amendments according to these requirements.

CHARTER 12 SUPPLEMENTARY PROVISIONS

Article 210 Definitions

(I) "controlling shareholder" stated herein shall refer to a shareholder whose ordinary shares (including preference shares with restored voting rights) are more than 50% of the total share capital of the Company, or a shareholder who holds less than 50% of the total shares but holds voting rights sufficient to have a material impact on resolutions at the general meeting or has the same meaning as the term "controlling shareholder" in the Hong Kong Listing Rules.

(II) the "de facto controller" stated herein shall refer to the person who is able to actually control the acts of the Company through investment relationships, agreement or any other arrangement.

(III) the "connected relationship" stated herein has the same meaning as ascribed to it under the Hong Kong Listing Rules.

(IV) the "independent director" stated herein has the same meaning as the term "independent non-executive director" in the Hong Kong Listing Rules.

(V) the "accounting firm" stated herein has the same meaning as the term "auditor" in the Hong Kong Listing Rules.

Article 211 The Board of Directors may formulate by-laws in accordance with the Articles of Association, provided that such by-laws shall not be in violation of the Articles of Association.

Article 212 The Articles of Association are prepared in Chinese. In the event of discrepancies between the Articles of Association and the Articles of Association in any other language or of different version, the latest Chinese version which has been approved and registered at Guangzhou Municipal Administration for Market Regulation shall prevail.

Article 213 In the Articles of Association, the meaning of "no less than", "within" or "no more than" includes the underlying number, while, "beyond", "less than", "more than" or "over" does not include the underlying number.

Article 214 The interpretation of the Articles of Association shall be vested to the Board of Directors of the Company.

Article 215 Should there be any inconsistency between the provisions of the Articles of Association and the provisions of laws, regulations, rules, the Hong Kong Listing Rules and other securities regulatory rules of the place where the Company's shares are listed, the latter shall prevail.

Article 216 The rules of procedures for the general meetings, the rules of procedures for the Board and the rules of procedures for the Supervisory Committee are enclosed with the Articles of Association as appendices.

Article 217 After the Articles of Association is passed by the special resolution of the general meeting, it will become effective on the day when the Company's publicly issued H shares are listed and traded on the Main Board of the Hong Kong Stock Exchange. The original Articles of Association of the Company shall automatically become invalid upon the effective date of the Articles of Association.