**Pharmaron Beijing Co., Ltd.**

# Articles of Association

*(Considered and approved at the Company's*
*Annual General Meeting of 2025*
*held on June 12, 2026)*

**Beijing, PRC**

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# Pharmaron Beijing Co., Ltd.

# Articles of Association

## Chapter 1 General Provisions

Article 1 These Articles of Association are formulated in accordance with the Company Law of the People's Republic of China (中華人民共和國公司法) (the "**Company Law**"), the Securities Law of the People's Republic of China (中華人民共和國證券法) (the "**Securities Law**"), the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises《(境內企業境外發行證券和上市管理試行辦法》), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), Shenzhen Stock Exchange ChiNext Listing Rules《(深圳證券交易所創業板股票上市規則》), and other relevant provisions of other laws, regulations and normative documents to safeguard the legitimate rights and interests of Pharmaron Beijing Co., Ltd. (the "**Company**"), its shareholders, staff and creditors, and to regulate the organization and activities of the Company.

Article 2 The Company is a foreign-funded joint stock limited company established through generally converting Pharmaron Beijing Co., Ltd. in accordance with the Company Law and other relevant provisions.

The Company was established by way of promotion and registered with and issued a Business License for Enterprise Legal Person by the Beijing Economic-Technological Development Area Administration for Market Regulation. Its unified social credit code is 9111030276350109XG. The issuer was established upon the approval of Beijing Economic and Technological Development Area Management Committee under the Reply on the conversion of Pharmaron Beijing Co., Ltd into a Foreign-Funded Joint Stock Company (Jing Ji Guan Xiang Shen Zi [2016] No. 175).

Article 3 As approved by the China Securities Regulatory Commission (the "**CSRC**") on December 24, 2018, the Company publicly issued an initial 65,630,000 RMB-denominated ordinary shares and was listed on the Shenzhen Stock Exchange on January 28, 2019.

As approval by the CSRC on October 25, 2019, the Company issued 116,536,100 overseas-listed foreign shares (the "**H Shares**") and over-allotted 17,480,400 H Shares which were listed on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") on November 28, 2019 and December 27, 2019, respectively.

Article 4 The registered name of the Company:

The Chinese name of the Company is 康龍化成(北京)新藥技術股份有限公司.

The English name of the Company is Pharmaron Beijing Co., Ltd..

Article 5 Address of the Company: 8th Floor, Block 1, 6 Tai-He Road, Beijing Economic Technological Development Area, Beijing; Postal code: 100176; Telephone number: 010-57330087; Fax number: 010-57330087.

Article 6 The registered capital of the Company is Renminbi (RMB) 1,837,283,628.

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

Article 8 The chairman of the board of directors of the Company shall act on behalf of the Company in performing the Company's affairs and shall be the legal representative of the Company. If the director who holds the position of the legal representative resigns from his/her position, he/she shall be deemed to have simultaneously resigned from the position of the legal representative. Upon the resignation of the legal representative, the Company shall determine a new legal representative within thirty (30) days from the date of the resignation of the legal representative.

Article 9 The legal representative's civil activities conducted in the name of the Company shall have their legal consequences borne by the Company. Any restrictions on the powers of the legal representative imposed by these Articles of Association or the shareholders' general meeting shall not be asserted against a bona fide counterparty. If the legal representative causes damage to others while performing his/her duties, the Company shall bear civil liability therefor. After the Company bears the civil liability, it may recover compensation from the legal representative at fault in accordance with the provisions of laws or these Articles of Association.

Article 10 Shareholders shall assume their liabilities to the extent of their respective subscribed shares in the Company, and the Company shall be liable to the extent of its total properties for its debts.

Article 11 The Articles of Association shall come into force from the date on which they were considered and passed at the shareholders' general meeting of the Company. The original Articles of Association of the Company shall automatically expire upon the effective date of the Articles of Association.

The Articles of Association shall, from the date when it comes into force, constitute a legally binding document regulating the organization and activities of the Company, the rights and obligations between the Company and each shareholder and among the shareholders, and shall be binding on the Company and its shareholders, directors and members of senior management. Shareholders may sue other shareholders, and shareholders may sue directors and senior management of the Company. Shareholders may sue the Company and the Company may sue the shareholders, directors and senior management according to the Articles of Association.

Article 12 "Senior management" in the Articles of Association refers to the manager, deputy manager, financial officer and secretary to the board of directors of the Company.

Article 13 The Company shall establish the organization of the Communist Party and carry out Party activities in accordance with the relevant regulations of the Constitution of the Communist Party of China. The Company shall provide necessary conditions for the activities of the organization of the Communist Party.

## Chapter 2 Business Objectives and Business Scope

Article 14 The operation objectives of the Company: to enhance efficiency in pharmaceutical Research & Development ("**R&D**") of our global partners though providing pre-clinical fully-integrated service for new pharmaceutical R&D.

Article 15 The business scope of the Company: pharmaceutical compounds, chemical drugs, biological products, R&D of biotechnology; provision of technology development, technology transfer, technological consultation, technological service and technological training; import and export of goods and technology. (Business activities that require pre-approvals according to laws and regulations can only be conducted as approved upon approval from the relevant authorities.) (Subject to the scope of business approved by the administration of market and supervision).

## Chapter 3 Shares

### Section 1 Issuance of Shares

Article 16 The stocks of the Company shall take the form of shares.

Article 17 The Company shall issue shares under the principles of fairness and equality and shares of the same class carry same rights.

The issue conditions and price per share of the same class in the same issue are the same; the same price is paid for each share subscribed for by any entities or individuals.

Article 18 All the denominated shares issued by the Company shall be denominated in RMB.

Article 19 The domestic-listed domestic shares ("**A Shares**") issued by the Company shall be collectively deposited with China Securities Depository and Clearing Corporation Limited Shenzhen Branch. The overseas-listed foreign shares issued by the Company are mainly deposited at the custodian company of Hong Kong Securities Clearing Company Limited. Upon the completion of overseas offering and listing of the Company's shares, domestic shareholders of the Company may transfer shares of the Company held by them to overseas investors and they may convert shares of the Company held by them to overseas-listed shares upon approvals of the State Council or its securities regulatory authorities. Listing and trading of such shares on overseas stock exchange(s) shall also comply with the regulatory procedures, provisions and requirements of overseas securities market(s). No shareholder's class meeting for voting is required in respect of the aforementioned shares to be listed and traded in overseas stock exchanges under the aforementioned circumstance. Domestic shares held by the Company's shareholders will be converted to overseas-listed shares after obtaining the approval for overseas listing and trading. Domestic shares shareholders and foreign shares shareholders, being holder of ordinary shares of the Company shall enjoy equal rights in the distribution of dividends or distributions in any other forms. The Company shall not impair any right attached to the shares they hold by reason that they have not disclosed their interest to the Company.

Article 20 The Company is a joint stock company established through generally converting Pharmaron Beijing Co., Ltd. Promoters obtained the shares of the Company by converting the net assets corresponding to the interest they hold in Pharmaron Beijing Co., Ltd respectively into shares. The number of shares held by and shareholding ratio of the promoters of the joint stock company are as follows:

| No. | Name of Promoter | Number of Shares held (share) | Shareholding | Contribution method | Time of Contribution |
|---|---|---|---|---|---|
| 1 | Pharmaron Holdings Limited | 97,600,003 | 19.520% | Shares converted from net assets | August 9, 2016 |
| 2 | Lou Xiaoqiang | 27,500,000 | 5.500% | Shares converted from net assets | August 9, 2016 |
| 3 | Ningbo Longtaikang Investment Management Co., Ltd. | 27,500,000 | 5.500% | Shares converted from net assets | August 9, 2016 |
| 4 | Beijing Longtaizhongxin Investment Management Partnership (Limited Partnership) | 2,407,683 | 0.481% | Shares converted from net assets | August 9, 2016 |
| 5 | Beijing Longtaihuixin Investment Management Partnership (Limited Partnership) | 2,923,079 | 0.585% | Shares converted from net assets | August 9, 2016 |
| 6 | Beijing Longtaidingsheng Investment Management Partnership (Limited Partnership) | 2,923,079 | 0.585% | Shares converted from net assets | August 9, 2016 |
| 7 | Beijing Longtaihuisheng Investment Management Partnership (Limited Partnership) | 2,923,079 | 0.585% | Shares converted from net assets | August 9, 2016 |

| No. | Name of Promoter | Number of Shares held (share) | Shareholding | Contribution method | Time of Contribution |
|---|---|---|---|---|---|
| 8 | Beijing Longtaizhongsheng Investment Management Partnership (Limited Partnership) | 2,923,079 | 0.585% | Shares converted from net assets | August 9, 2016 |
| 9 | GL PHL Investment Limited | 16,335,715 | 3.267% | Shares converted from net assets | August 9, 2016 |
| 10 | Tianjin Junlian Wenda Equity Investment Partnership (Limited Partnership) | 85,357,143 | 17.071% | Shares converted from net assets | August 9, 2016 |
| 11 | Beijing Junlian Maolin Equity Investment Partnership (Limited Partnership) | 17,857,143 | 3.571% | Shares converted from net assets | August 9, 2016 |
| 12 | Shenzhen Xinzhong Kangcheng Investment Partnership (Limited Partnership) | 157,142,855 | 31.429% | Shares converted from net assets | August 9, 2016 |
| 13 | Beijing Jinpu Ruida Technology Center (General Partnership) | 14,285,715 | 2.857% | Shares converted from net assets | August 9, 2016 |
| 14 | Yu Yuejiang | 13,392,857 | 2.679% | Shares converted from net assets | August 9, 2016 |
| 15 | Hartross Limited | 11,071,427 | 2.214% | Shares converted from net assets | August 9, 2016 |
| 16 | Wish Bloom Limited | 17,857,143 | 3.571% | Shares converted from net assets | August 9, 2016 |
| | **Total** | **500,000,000** | **100.000%** | **–** | **–** |

Article 21 The shareholding structure of the Company is 1,837,283,628 ordinary shares, including 1,477,305,741 shares held by holders of A Shares, and 359,977,887 shares held by holders of H shares.

Article 22 The Company and subsidiaries of the Company (including affiliates of the Company) may not provide financial assistance to a person for the acquisition of shares of the Company or its parent company by way of gift, advancement, guarantee, loans or other means, except where the Company implements its employee shareholding plan.

In the interest of the Company, the Company may provide financial assistance to a person for the acquisition of shares of the Company or its parent company, subject to a resolution adopted by the shareholders' general meeting or a resolution made by the board of directors pursuant to the authorization of these Articles of Association or the shareholders' general meeting; provided that the aggregate total amount of such financial assistance shall not exceed ten percent (10%) of the total issued share capital of the Company. A resolution made by the board of directors shall be adopted by more than two-thirds of all directors.

**Section 2 Increase/Deduction and Buyback of Shares**

Article 23 Based on its operation and development requirements, in accordance with the relevant laws and regulations, and subject to the resolution at the general meeting, the Company may increase its registered capital by any of the following methods:

(I) Issue shares to unspecified persons;

(II) Issue shares to specific persons;

(III) Placing new shares to its existing shareholders;

(IV) Issuing bonus shares to its existing shareholders;

(V) Capitalizing its capital common reserve;

(VI) Any other means permitted by laws, administrative regulations and the relevant regulatory authorities.

Article 24 The Company may reduce its registered capital in accordance with the procedures provided in the Company Law and other relevant requirements and the Articles of Association.

Article 25 The Company may not purchase its own shares. However, under one of the following circumstances, the Company may buy back its outstanding shares in accordance with laws, administrative regulations, departmental rules, listing rules of the place where the Company's shares are listed and the Articles of Association:

(I) Reducing the registered capital of the Company;

(II) Merging with other companies which hold shares of the Company;

(III) Using shares (including shares repurchased and held in the form of treasury shares) for employee shareholding plans or for share incentives;

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

(V) Using the shares for converting the convertible bonds issued by the Company to stock;

(VI) Necessary acts by the Company to protect its value while safeguarding the interests of shareholders;

(VII) Other circumstances as permitted by laws, administrative regulations and listing rules of the place where the Company's shares are listed. The Company shall not accept its share certificates as the subject matter of a pledge.

Article 26 Buy-back of shares of the Company can be conducted through open centralized trading, or otherwise permitted by laws and regulations and the CSRC. Buy-back of the Company's shares pursuant to item (III), item (V) and item (VI) of Article 25 of the Articles of Association shall be conducted through open centralized trading.

Buy-back of shares of the Company shall be subject to the obligation of information disclosure according to the relevant provisions of the Company Law, the Hong Kong Listing Rules etc.

Article 27 Buy-back of shares of the Company under the circumstances specified in item (I) and item (II) in the first paragraph of Article 25 of the Articles of Association shall be subject to the approval of the shareholders' general meeting. Buy-back of shares of the Company under the circumstances specified in item (III), item (V) and item (VI) in the first paragraph of Article 25 of the Articles of Association shall be subject to the approval from a meeting of the board of directors where over two-thirds of the directors are present.

For any buy-back of the Company's shares pursuant to the first paragraph of Article 25 of the Articles of Association, shares bought back pursuant to item (I) of that paragraph shall be cancelled within ten (10) days from the date of the buy-back; for those circumstances described in items (II) and (IV) of that paragraph, the shares shall be transferred or cancelled within six (6) months; for circumstances described in items (III), (V) and (VI) of that paragraph, the total number of the Company's shares held by the Company shall not exceed 10% of the Company's total issued shares and shall be transferred or cancelled within three (3) years.

## Section 3 Transfer of Shares

Article 28 Unless otherwise provided in laws, regulations and the listing rules in the place where the Company's shares are listed, the Company's shares shall be transferred in accordance with the law and shall be free of lien.

Transfer of H Shares requires registration by the share registrar in Hong Kong appointed by the Company.

Article 29 The Company shall establish the register of shareholders according to the certificate provided by the securities registration authority, and the register of shareholders is sufficient evidence to prove that the shareholders hold the shares of the Company. The original register of holders of shares listed on Hong Kong Stock Exchange shall be kept in Hong Kong, and the Company shall keep a duplicate of the register of holders of overseas-listed foreign shares at the Company's address and make it available for access by shareholders, but the Company may be permitted to suspend the register of members on terms equivalent to those in Section 632 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong; the appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas-listed shares at all times. If there are any inconsistencies between the original and the duplicate of the register of holders of overseas-listed foreign shares, the original version shall prevail.

Different parts of the register of shareholders shall not overlap. No transfer of the shares registered in any part of the register shall be registered in any other part of the register of shareholders at the same time.

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

The board of directors may refuse to acknowledge any instrument of transfer and will not need to provide any reason therefor unless such transfer complies with the following requirements:

(I) The transfer instrument involves only the H Shares;

(II) The stamp duty payable under the laws of Hong Kong on the instrument of transfer has been paid;

(III) The relevant share certificates and evidence reasonably required by the board of directors showing that the transferor has the rights to transfer such shares shall be provided;

If the board of directors refuses to register the transfer of shares, the Company shall serve a notice of refusal of such transfer of shares to the transferor and the transferee within two (2) months from the date when the formal application of such transfer is submitted.

All H Shares shall be transferred by an instrument in writing in any usual or common form or any other form which the board of directors accepts (including the prescribed form or transfer form as required by the Hong Kong Stock Exchange from time to time). The instrument of transfer may only be executed by hand or (if the transferor or the transferee is a company) affixed with the Company's effective seal. If the transferor or the transferee is a recognized clearing house ("**Recognized Clearing House**") as defined by the relevant regulations of the laws of Hong Kong in effect from time to time or the agent thereof, and the instrument of transfer may be executed by hand or by machine imprinted signatures.

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

Article 30 The Company shall not accept its shares being held as security under a pledge.

Article 31 Directors and senior management of the Company shall report their shareholdings in the Company and the respective changes. During his/her tenure as determined at the time of assuming office, no shares exceeding 25% of his/her total shareholding of the same class in the Company shall be transferred within one (1) year; and no transfer of shares held by him/her shall be allowed within one year since the date when the shares in the Company are listed. The aforesaid personnel shall not transfer the shares held by him/her within half a year after leaving his/her office.

Article 32 Where any director and senior management of the Company and shareholder holding 5% or more of the Company's shares in issue sells his/her shares or other securities with an equity nature within a period of six months after the acquisition of the same, or repurchase shares of the Company or other securities with an equity nature within six months after sales of the same, any proceed arising therefrom shall belong to the Company, and the board of directors of the Company shall demand such gains for the benefit of the Company. However, the restriction shall not apply for a securities company that holds 5% or more of the Company's shares as a result of its underwriting of the untaken shares in an offer, and other circumstances stipulated by the CSRC.

The shares or other securities with an equity nature held by directors and senior management and natural person shareholders referred to in the preceding paragraph shall include the shares or other securities with an equity nature held by their spouses, parents and children, and those held through others' accounts.

If the board of directors of the Company fails to comply with the requirements under the aforesaid paragraph, a shareholder shall have the rights to request the board of directors to do so within 30 days. In failure of the board of directors to comply with the same within the aforesaid period, such shareholder shall have the rights to institute a legal proceeding directly with the People's Court in its own name for the benefit of the Company.

If the board of directors of the Company fails to comply with the requirements under the first paragraph, the director(s) liable shall assume joint and several responsibilities pursuant to laws.

## Chapter 4 Shareholders and Shareholders' General Meeting

### Section 1 Shareholders

Article 33 The Company establishes its share register on the basis of the certificates provided by the securities settlement and registration institution, and the share register shall be conclusive evidence of a shareholder's ownership of the Company's shares. Shareholders shall enjoy rights and have obligations in accordance with the class of shares held by them. Shareholders holding the same class of shares shall be entitled to equal rights and have equal obligations.

When the Company holds a shareholders' general meeting, distributes dividends, liquidates, or engages in other acts that require confirmation of shareholder identity, the record date for shareholding shall be determined by the board of directors or the convener of the shareholders' general meeting; shareholders registered in the register after the close of trading on the record date for shareholding shall be the shareholders entitled to the relevant rights and interests.

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

(I) The rights to receive dividends and other forms of distribution in proportion to the number of shares held by them;

(II) The rights to request to hold, convene, host, attend or appoint a proxy to attend shareholders' general meetings and exercise corresponding voting rights in accordance with the law;

(III) The rights to supervise and manage the Company and to put forward proposals and raise inquiries;

(IV) The rights to transfer, donate, or pledge shares held by them in accordance with laws, administrative regulations and the Articles of Association;

(V) The rights to obtain relevant information in accordance with the Articles of Association of the Company, including:

1. to obtain a copy of the Articles of Association upon payment of the cost of such copy;

2. to inspect and photocopy upon payment of a reasonable charge, of:

(1) all parts of the register of shareholders (for shareholders' inspection only);

(2) minutes of the shareholders' meeting (for shareholders' inspection only);

(3) regular reports of the Company, including (a) annual reports; (b) interim reports; (c) quarterly reports; (d) annual results announcement; (e) interim results announcement.

The Company shall made the documents in item (1), and item (2) above and any other applicable documents available for free inspection by the public and shareholders at the Company's Hong Kong address as required by the Hong Kong Listing Rules.

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

(VII) The rights to demand the Company to acquire the shares held by them with respect to shareholders voting against any resolution adopted at the shareholders' general meeting on the merger or division of the Company;

(VIII) Other rights conferred by law, administrative regulations, departmental regulations, and the listing rules of the place where the shares of the Company are listed and the Articles of Association.

Article 35 Where shareholders request to inspect and copy the Company's relevant materials, they shall comply with the provisions of the Company Law, the Securities Law and other laws and administrative regulations, they shall provide the Company with written documents evidencing the class and number of shares of the Company they hold. Upon verification of the shareholder's identity, the Company shall provide information requested by such shareholder.

Article 36 If a resolution passed at the shareholders' general meeting or meeting of the board of directors 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 shareholders' general meeting or meeting of the board of directors 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 sixty (60) days from the date on which such resolution is adopted. However, this shall not apply if there are only minor defects in the procedures for convening or the method of voting at the shareholders' general meeting or meeting of the board of directors, and such defects have no material impact on the resolution.

Where there is a dispute among the board of directors, shareholders and other relevant parties regarding the validity of the resolutions of the shareholders' general meeting, the relevant parties shall promptly initiate legal proceedings in the People's Court. Prior to the People's Court rendering a judgment or ruling such as revoking the resolution, the relevant parties shall implement the resolutions of the shareholders' general meeting. The Company, directors and senior management shall faithfully perform their duties to ensure the normal operation of the Company.

Where the People's Court renders a judgment or ruling on the relevant matters, the Company shall fulfill its information disclosure obligations in accordance with the provisions of laws, administrative regulations, the CSRC and stock exchanges, fully explain the impact, and actively cooperate in the enforcement after the judgment or ruling becomes effective. If the matter involves the correction of prior matters, the Company shall handle such matters promptly and fulfill the corresponding information disclosure obligations.

Article 37 Where any of the following circumstances occurs, the resolutions of the Company's shareholders' general meeting or board of directors shall not be established:

(I) Resolutions are made without convening a shareholders' general meeting or a meeting of the board of directors;

(II) No voting is conducted on the matters to be resolved at a shareholders' general meeting or a meeting of the board of directors;

(III) The number of attendees at the meeting or the number of voting rights held by them fails to meet the number of attendees or the number of voting rights required by the Company Law or the Articles of Association;

(IV) The number of attendees who approve the matters to be resolved or the number of voting rights held by them fails to meet the number of approvers or the number of voting rights required by the Company Law or the Articles of Association.

Article 38 Where the Company incurs loss as a result of violation of the laws, administrative regulations or the Articles of Association by directors (other than members of the audit committee) and senior management in the course of performing their duties, shareholders individually or jointly holding 1% or more of the shares of the Company for one hundred and eighty (180) consecutive days or more shall have the rights to request in writing the audit committee to initiate legal proceedings in the People's Court. Where the Company incurs loss as a result of violation of laws, administrative regulations or the Articles of Association by the audit committee in the course of performing its duties, the aforesaid shareholders shall have the rights to request in writing to the board of directors to initiate legal proceedings in the People's Court.

If the audit committee or the board of directors refuses to initiate legal proceedings upon receipt of the written request of shareholders stated in the preceding paragraph, or fails to initiate such legal proceedings within thirty (30) days from the date on which such request is received, or in case of emergency where failure to initiate such proceedings immediately will result in irreparable damage to the Company's interests, shareholders described in the preceding paragraph shall have the rights to initiate legal proceedings in the People's Court directly in their own names in the interest of the Company.

If any person infringes the lawful rights and interests of the Company, thus causing any losses to the Company, the shareholders as mentioned in the first paragraph of this Article may initiate legal proceedings in the People's Court in accordance with the provisions of the preceding paragraphs.

Where directors, supervisors and senior management of the Company's wholly-owned subsidiaries, in the course of performing their duties, violate the laws, administrative regulations or the Articles of Association, thus causing losses to the Company, or where any other person infringes the lawful rights and interests of the Company's wholly-owned subsidiaries thus causing losses to such subsidiaries, shareholders individually or jointly holding 1% or more of the shares of the Company for one hundred and eighty (180) consecutive days or more may, in accordance with the provisions of Paragraphs 1 to 3 of Article 189 of the Company Law, request in writing the supervisors/the supervisory committee, directors/the board of directors of the wholly-owned subsidiaries to initiate legal proceedings in the People's Court, or initiate legal proceedings directly in their own names in the People's Court. Where a wholly-owned subsidiary of the Company does not have a supervisory committee or supervisors but has an audit committee, this Article shall apply.

Article 39 If any director or senior management is in violation of laws, administrative regulations or the Articles of Association, thus causing any losses to the shareholders, the shareholders may initiate legal proceedings against such director or senior management in the People's Court.

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

(I) To abide by the laws, administrative regulations, departmental rules, normative documents, listing rules of stock exchange of the place where the shares of the Company are listed and the Articles of Association;

(II) To pay for the share capital based on the shares subscribed for and the manners in which they became shareholder;

(III) Not to withdraw their share capital unless required by law and regulations;

(IV) Not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditors of the Company;

(V) To be liable for obligations as required by the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange of the place where the shares of the Company are listed and the Articles of Association.

Where shareholders of the Company abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders, such shareholders shall be legally liable for compensation according to laws. Where shareholders of the Company abuse Company's status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company.

### Section 2 Controlling Shareholders and Actual Controllers

Article 41 The controlling shareholders and actual controller of the Company shall exercise their rights and perform their obligations in accordance with the provisions of laws, administrative regulations, the CSRC and the listing rules of the stock exchanges where the Company's shares are listed, so as to safeguard the Company's interests.

Article 42 The controlling shareholders and actual controller of the Company shall comply with the following provisions:

(I) Exercise their shareholder rights in accordance with the law, and shall not abuse their controlling power or use connected relationships to harm the legitimate rights and interests of the Company or other shareholders;

(II) Strictly perform their public statements and various commitments, and shall not unilaterally modify or exempt themselves from such commitments;

(III) Strictly fulfill their information disclosure obligations in accordance with relevant provisions, actively cooperate with the Company in information disclosure work, and promptly inform the Company of material events that have occurred or are proposed to occur;

(IV) Shall not misappropriate the Company's funds in any manner;

(V) Shall not coerce, instigate or require the Company and relevant personnel to provide guarantees in violation of laws and regulations;

(VI) Shall not use the Company's unpublished material information to seek benefits, shall not disclose unpublished material information related to the Company in any manner, and shall not engage in illegal or non-compliant acts such as insider trading, short-term trading or market manipulation;

(VII) Shall not harm the legitimate rights and interests of the Company and other shareholders through any means such as unfair related transactions, profit distribution, asset restructuring or external investment;

(VIII) Ensure the Company's integrity of assets, independence of personnel, financial independence, organizational independence and business independence, and shall not affect the Company's independence in any manner;

(IX) Other provisions of laws, administrative regulations, the CSRC, the business rules of stock exchanges and the Articles of Association.

Where a controlling shareholder or actual controller of the Company does not hold the position of a director of the Company but actually performs the Company's affairs, the provisions of the Articles of Association regarding the fiduciary duties and duties of diligence of directors shall apply.

Where a controlling shareholder or actual controller of the Company instructs a director or senior management to engage in acts that harm the interests of the Company or shareholders, such controlling shareholder or actual controller shall bear joint and several liability with such director or senior management.

Article 43 Where a controlling shareholder or actual controller pledges the Company's shares held or actually controlled by them, they shall maintain the stability of the Company's control and production operations.

Article 44 Where a controlling shareholder or actual controller transfers the shares of the Company held by them, they shall comply with the restrictive provisions on share transfer stipulated in laws, administrative regulations, the CSRC and the Shenzhen Stock Exchange, as well as the commitments made by them regarding restricted share transfers.

### Section 3 General Provisions for the Shareholders' General Meeting

Article 45 The shareholders' general meeting, consisting of all shareholders, is the body exercising the authority of the Company and shall exercise the following duties and powers in accordance with the law:

(I) To elect and replace directors who are not staff representatives, and to determine matters relating to the remuneration of the relevant directors ;

(II) To consider and approve the reports of the board of directors;

(III) To consider and approve the profit distribution plans and plans for loss recovery of the Company;

(IV) To determine increases or reductions in the registered capital of the Company;

(V) To determine the issuance of corporate bonds by the Company;

(VI) To determine matters such as merger, division, dissolution and liquidation of the Company or alteration of corporate form;

(VII) To amend the Articles of Association;

(VIII) To determine the appointment or dismissal of accounting firms undertaking the Company's audit services;

(IX) To consider and approve the guarantee issues as prescribed in Article 46 of the Articles of Association;

(X) To consider matters relating to the purchases and disposals of material assets (including but not limited to the definition of major assets as specified in the listing rules of the stock exchange where the Company's shares are listed), which are more than 30% of the latest audited total assets of the Company, within one year;

(XI) To consider and approve matters relating to changes in the use of proceeds;

(XII) To consider share incentive plans and employee shareholding plans;

(XIII) The annual shareholders' general meeting of the Company is entitled to authorize the board of directors to decide the issuance of shares with a total financing amount of no more than RMB300 million and no more than 20% of the net assets as at the end of the latest year to specific subscriber(s), and such authorization will expire on the convention date of the annual shareholders' general meeting for the next year. For the avoidance of doubt, any issuance of shares by the Company shall be subject to and conducted in compliance with the listing rules of the place where the Company's shares are listed. The General Meeting shall have the power to authorize the Board to issue new H Shares in the manner permitted under the applicable Listing Rules and such resolution shall be without limitation to the foregoing provisions;

(XIV) To consider other matters required to be resolved by the shareholders' general meeting pursuant to laws, administrative regulations, departmental rules and regulations, the listing rules of the place where the Company's shares are listed or the Articles of Association.

The shareholders' general meeting may authorize the board of directors to make resolutions on the issuance of the Company's corporate bonds. Except as otherwise provided by laws, administrative regulations, the provisions of the CSRC or the listing rules of the stock exchange where the Company's shares are listed, the aforesaid powers of the shareholders' general meeting shall not be exercised on its behalf by the board of directors, other institutions or individuals through authorization.

Article 46 The external investment, purchase and disposal of assets, external guarantee, consigned financial management, connected/related transactions and others to be submitted to the shareholders' general meeting for consideration after consideration and approval by the board of directors are as follows:

(I) When a transaction of the Company (except for provision of guarantees and financial assistance) meets one of the following criteria, it shall be submitted to the general meeting for consideration and approval:

1. The total assets involved in the transaction account for more than 50% of the Company's latest audited total assets. Where the total assets involved in the transaction have both book value and appraised value whatever is higher shall be taken for calculation;

2. the operating revenue related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 50% of the Company's audited operating revenue for the latest accounting year, with an absolute amount exceeding RMB50 million;

3. the net profit related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million;

4. the transaction amount of the transaction (including the debt and expenses) accounts for more than 50% of the Company's latest audited net assets, with an absolute amount exceeding RMB50 million;

5. the profit derived from the transaction accounts for more than 50% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB5 million.

In case the figure involved in the above index calculation is negative, the absolute value thereof shall be taken for calculation.

For transactions in which the Company receives unilateral benefits, including gifts of assets in cash and debt reduction or relief, etc., the Company may be exempted from fulfilling the review and approval procedures at the shareholders' general meeting.

When a transaction of the Company only meets the standards as set out in the item 3 or item 5 above, and the absolute value of the earnings per share in the latest financial year of the Company is less than RMB0.05, the Company may be exempted from fulfilling the review and approval procedures at the shareholders' general meeting.

(II) The following guarantees of the Company (including the guarantee provided to controlling subsidiaries) shall be considered and passed at the shareholders' general meeting:

1. A single guarantee for amount in excess of 10% of the Company's latest audited net assets;

2. Any guarantee provided after the total amount of guarantee to third parties provided by the Company and its controlling subsidiary has exceeded 50% of the Company's latest audited net assets;

3. A guarantee to be provided to a party which has an asset-liability ratio in excess of 70%;

4. Any guarantee provided upon the total amount of guarantee to third parties provided by the Company exceeding 30% of the Company's latest audited total assets;

5. Guarantee where the amount of guarantee provided in 12 consecutive months exceeds 30% of the Company's latest audited total assets;

6. Guarantee where the amount of guarantee provided in 12 consecutive months exceeds 50% of the Company's latest audited net assets and the absolute amount exceeds RMB50 million;

7. Guarantee to be provided to shareholders, actual controller and connected parties thereof;

8. Other guarantees as prescribed by stock exchanges or the Articles of Association.

When the board of directors consider the above guarantees at the board meeting, such guarantees are required to be passed by more than two-thirds of directors attending the board meeting. When the guarantee specified in item 4, 5 above is considered at the shareholders' general meeting, it shall be passed by more than two-thirds of voting rights held by the shareholders attending the shareholders' general meeting.

When considering the resolution of providing guarantee to shareholders, actual controller and connected parties thereof at the shareholders' general meeting, such shareholders or shareholders controlled by such actual controller shall not vote on such resolution. Such resolution requires a simple majority of the voting rights of other shareholders attending the shareholders' general meeting to be passed.

Where a guarantee is provided by the Company to the connected parties, it shall be disclosed in a timely manner after being considered and approved by the board of directors and submitted to the shareholders' general meeting for consideration. Where a guarantee is provided by the Company to the controlling shareholder, actual controller and its connected parties, such controlling shareholder, actual controller and connected parties shall provide counter guarantee.

Where a guarantee is provided by the Company to a wholly-owned subsidiary or a guarantee is provided to a controlling subsidiary and other shareholders of such controlling subsidiary provided guarantees in proportion to their rights and interests, and such guarantees fall within the scope of items 1, 2, 3 and 6 of this Article, they may be exempted from being submitted to the shareholders' general meeting for consideration.

(III) If the transaction is entered into between the Company and the connected parties as stipulated in the Rules Governing the Listing of Shares on the ChiNext Market of Shenzhen Stock Exchange (except for provision of guarantees) with an amount of more than RMB30 million and representing more than 5% of the latest audited net asset absolute value of the Company, an intermediary that complies with relevant regulations of the CSRC and the stock exchange where the Company's shares are listed shall be engaged to assess or audit the subject of the transaction, and the transaction shall be submitted to the shareholders' general meeting for consideration. Connected transactions related to the ordinary course of business of the Company may be exempted from audit or assessment.

When the shareholders' general meeting considers a connected transaction, the connected shareholders shall abstain from voting and shall not exercise the voting right on behalf of other shareholders. The following connected transactions of the Company that take place within 12 consecutive months shall be subject to the aforesaid provisions in accordance with the principle of cumulative calculation:

1. Transactions entered into with the same connected parties;

2. Transactions entered into with different connected parties with respect to a certain type of subject.

The same aforesaid connected parties shall include other connected parties controlled by the same entity or having a mutual equity control relationship with the connected parties. Connected transactions whose relevant obligations have been fulfilled in accordance with the first clause of this Article, shall no longer be included in the relevant cumulative calculation scope.

The following transactions entered into between the Company and connected parties may be exempted from submission to the shareholders' general meeting for consideration:

1. The Company's participation in public tenders and public auctions for unspecified targets (excluding restricted methods such as invitations to bid);

2. Transactions in which the Company receives unilateral benefits, including gifts of assets in cash, debt reduction or relief, guarantees and financing;

3. The pricing of connected transactions is set by the country;

4. A connected party provides funds to the Company at an interest rate no higher than the standard interest rate for loans of the same period stipulated by the People's Bank of China;

5. Where the Company provides products and services to directors and senior management on the same trading terms as non-related parties.

(IV) The transactions entered into between the Company and the connected persons as stipulated in the Hong Kong Listing Rules shall be conducted in accordance with the relevant provisions under Chapter 14A of the Hong Kong Listing Rules.

For transactions applied to both clauses (III) and (IV) of this Article, the review and approval procedures of shareholders' general meeting shall be performed in stricter standards by the Company.

(V) The financial assistance provided by the Company shall be considered and approved by shareholders' general meeting if it falls under any of the following circumstances:

1. The latest audited asset-liability ratio of the target of financial assistance exceeds 70%;

2. The amount of a single financial assistance or the aggregated amount of financial assistance provided in 12 consecutive months exceed 10% of the Company's latest audited net assets;

3. Other circumstances as provided by stock exchange of the place where the Company's shares are listed or the Articles of Association.

The target of financial assistance is a controlling subsidiary included in the consolidated financial statements of the Company and owned as to over 50% by the Company and the shareholders of such controlling subsidiary are not the controlling shareholders or the actual controller and its connected parties of the Company, thereby such financial assistance shall be exempted from the provisions mentioned above.

The Company shall not provide financial assistance to related parties, except in the case where it provides financial assistance to affiliated companies (excluding entities controlled by the controlling shareholders or actual controller of the Company) and other shareholders of such affiliated joint-stock company provide financial assistance on the same terms in proportion to their capital contributions. Where the Company provides financial assistance to the aforesaid related affiliated joint-stock company, such matter shall not only be deliberated and approved by a majority of all non-related directors, but also be deliberated and approved by more than two-thirds of the non-related directors present at the board meeting, and shall be submitted to the shareholders' general meeting for deliberation.

(VI) The transactions between the Company and controlling subsidiaries within the scope of consolidated statements or between such controlling subsidiaries may be exempted from disclosure and execution of the corresponding procedures, unless otherwise provided by the stock exchange where the Company's shares are listed or the Articles of Association.

The definitions of "transactions", "related parties" and "connected persons" in Article 46 of the Articles of Association are the same as those defined in the relevant listing rules of stock exchange of the place where the Company's shares are listed, among which, relevant transactions of "related parties" and "connected persons" shall be entered into respectively in accordance with listing rules of the relevant stock exchanges.

Article 47 Shareholders' general meetings include annual shareholders' general meetings and extraordinary shareholders' general meetings. Annual shareholders' general meetings shall be convened once every year within six (6) months after the end of the previous financial year.

Article 48 The Company shall convene an extraordinary shareholders' general meeting within 2 months upon the occurrence of the following events:

(I) The number of directors is less than the number as stipulated in the Company Law or less than two-thirds of the number as prescribed in the Articles of Association;

(II) The uncovered losses of the Company amount to one-third of the total share capital;

(III) Shareholders individually or jointly holding 10% or more of the shares of the Company request to convene an extraordinary shareholders' general meeting on a one vote per share basis;

(IV) Whenever the board of directors considers it necessary;

(V) When the audit committee proposes so proposes;

(VI) Other circumstances as provided by laws, administrative regulations, departmental rules and regulations, the listing rules of the place where the Company's shares are listed or the Articles of Association.

The shareholdings referred to in item (III) above shall be calculated as at the date of written request of the shareholders.

Article 49 A general meeting shall be held at the registered address of the Company or any other location determined by the board of directors.

Each general meeting shall have a venue and be held on-site. The Company may, at its discretion, facilitate shareholders' participation in the general meeting by offering online or other means. If the Company elects to provide online access to the shareholders' general meeting, shareholders attending via such online means must complete registration procedures in strict compliance with the requirements specified in the meeting notice. Shareholders who attend a general meeting in the aforesaid manner shall be deemed to have been present at the meeting.

Article 50 When the Company convenes a shareholders' general meeting, it will engage a lawyer to issue legal opinions on the following issues:

(1) Whether the convening and holding procedures of the meeting are in compliance with laws, administrative regulations and the Articles of Association;

(II) Whether the qualifications of the attendees and the qualifications of the convener are legal and valid;

(III) Whether the voting procedures and voting results of the meeting are legal and valid;

(IV) Legal opinions issued by other companies on the relevant issues at the request of the company.

**Section 4 Convening of Shareholders' General Meetings**

Article 51 The board of directors shall convene the shareholders' general meeting on time within the prescribed time limit. With the consent of a majority of all independent non-executive directors, independent non-executive directors are entitled to propose to the board of directors to convene an extraordinary general meeting, provided that the proposal shall be made to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten (10) days after receiving such proposal.

In the event that the board of directors agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five (5) days after the passing of the relevant resolution of the board of directors. In the event that the board of directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given and disclosed.

Article 52 The audit committee is entitled to propose to the board of directors to convene an extraordinary general meeting, provided that the proposal shall be made to the board of directors in writing. The board of directors shall, pursuant to laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten (10) days after receiving such proposal.

In the event that the board of directors agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five (5) days after the passing of the relevant resolution of the board of directors. Any change to the original proposal made in the notice shall be subject to obtaining written consent from the audit committee.

In the event that the board of directors does not agree to convene an extraordinary general meeting or does not furnish any reply within ten (10) days after receiving such proposal, the board of directors shall be deemed as incapable of performing or failing to perform the duty of convening a general meeting, in which case the audit committee may convene and preside over such meeting by itself.

Article 53 A shareholder who requests to convene a shareholder meeting shall proceed in accordance with the following procedures:

(I) On a one vote per share basis, shareholders either individually or collectively holding more than 10% (inclusive) of the shares of the Company may, through signing one or more copies of written requisition(s) in the same form and content stating the topics to be discussed at the meeting, require the board of directors to convene an extraordinary general meeting or a class meeting. The board of directors shall, pursuant to laws, administrative regulations, the listing rules of the place where shares of the Company are listed and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within 10 days after receiving aforesaid written requisition(s);

(II) In the event that the board of directors agrees to convene an extraordinary general meeting or a class meeting, the notice of the general meeting or the class meeting shall be issued within five (5) days after the passing of the relevant resolution of the board of directors. Any change to the original proposal made in the notice shall be subject to obtaining written consent from the shareholders concerned. Where the laws, administrative regulations, the relevant rule of the place where the shares of the Company are listed and the Articles of Association provided otherwise, the provisions shall prevail;

(III) In the event that the board of directors does not agree to convene an extraordinary general meeting or a class meeting, or does not furnish any written reply within 10 days after receiving such requisition(s), shareholders individually or collectively holding 10% or more of the Company's shares shall be entitled to propose to the audit committee to convene the extraordinary general meeting or the class meeting on a one vote per share basis, provided that such proposal shall be made in writing. In the event that the audit committee agrees to convene an extraordinary general meeting or a class meeting, the notice of the general meeting or the class meeting shall be issued within 5 days after receiving such requisition(s). Any changes to the original request made in the notice shall be subject to obtaining written consent from the shareholders concerned. Where the audit committee does not agree to convene an extraordinary general meeting or a class meeting or fails to issue the notice of the general meeting or the class meeting within required time frame shall be deemed as failure of the audit committee to convene and preside over a general meeting, in which case, shareholders individually or collectively holding 10% or more of the Company's shares for 90 consecutive days or more may, on a one vote per share basis, convene and preside over the meeting on his/her/their own. If the shareholders convene and hold a meeting because the board of directors does not hold the meeting as mentioned above, the reasonable expenses incurred by the shareholders shall be borne by the Company and deducted from the amount owed by the Company to the defaulting directors.

Article 54 Where the audit committee or shareholders decide(s) to convene the shareholders' general meeting by itself/themselves, it/they shall send out a written notice to the board of directors, and shall file with the Shenzhen Stock Exchange according to the provisions of the relevant laws and regulations.

The shareholding of the convening shareholders shall not be lower than 10% during the period from the date of announcing the notice of the general meeting to the conclusion of the general meeting.

The audit committee or convening shareholder shall submit relevant evidence to the Shenzhen Stock Exchange upon the issuance of the notice of the general meeting and the announcement of the resolutions of the general meeting according to the provisions of the relevant laws and regulations.

Article 55 The board of directors and the secretary to the board of directors shall provide cooperation, provide requisite support and perform their information disclosure obligations in a timely manner with respect to matters relating to a general meeting convened by the audit committee or shareholders on its/their own. The board of directors shall provide the register of shareholders as of the date of the record date. If the board of directors fails to provide the register of shareholders, the convener may request to access the register at the securities registration and clearing institution by presenting the relevant announcement of the notice of the general meeting according to the provisions of the relevant laws and regulations. The register of shareholders obtained by the convener shall not be used for purposes other than the convening of a shareholders' general meeting.

Article 56 Expenses arising from convening of a general meeting by the audit committee or shareholders shall be borne by the Company and deducted from the amount owed by the Company to the defaulting directors.

### Section 5 Proposals and Notices of Shareholders' General Meeting

Article 57 The contents of the proposals shall fall within the functions and powers of the shareholders' general meeting, shall have clear discussion topics and specific matters to be resolved, and shall comply with relevant requirements of laws, administrative regulations, the listing rules of the place where shares of the Company are listed and the Articles of Association.

Article 58 When a general meeting is convened by the Company, the board of directors, the audit committee or shareholders individually or jointly holding 1% or more of the shares of the Company shall be entitled to raise proposals to the Company. The shareholders who raise the ad hoc proposed resolutions shall provide the convener with supporting documents (including but not limited to electronic certificates issued by China Securities Depository and Clearing Corporation Limited, or account statements issued by custodian securities firms bearing the firm's official seal) certifying that they hold more than 1% of the Company's shares. Where shareholders make a joint proposal through entrustment, the entrusting shareholder shall issue a written authorization document to the entrusted shareholder.

On a one vote per share basis, shareholders individually or jointly holding 1% or more of the shares of the Company may submit ad hoc proposed resolutions in writing to the convener of the general meeting 10 days before the convening of the general meeting. The letter of ad hoc proposal shall include the name and particulars of proposal, the statement made by the proposer that the proposal conforms to the provisions of the Rules for General Meeting of Listed Companies and the listing rules of the stock exchange where the Company's shares are listed and the statement made by the proposer guaranteeing the authenticity of the shareholding proof documents and power of attorney provided by the proposer. The convener shall issue a supplemental notice or a supplementary circular of the general meeting within 2 days upon receipt of the proposals, inform of the contents of the ad hoc proposal, and submit the ad hoc proposal to the shareholders' general meeting for deliberation, except where the ad hoc proposal violates the provisions of laws, administrative regulations or the Articles of Association, or does not fall within the scope of the shareholders' general meeting's powers.

Except for circumstances provided in the above paragraph, the convener, after issuing the notice announcement of the general meeting, shall neither revise the proposals stated in the notice of general meetings nor add new proposals.

The general meeting shall neither vote nor make a resolution on any proposals that are not included in the notice or are inconsistent with the Articles of Association.

Where a shareholder puts forward an ad hoc proposed resolutions for the general meeting, none of the following circumstances shall exist:

(I) The shareholders who put forward the proposal do not meet the subject qualification requirements such as shareholding ratio;

(II) Exceeding the time limit specified for the proposal;

(III) The proposal is not within the terms of reference of the shareholders' general meeting;

(IV) The proposal has no clear agenda or specific resolution matters;

(V) The content of the proposal violates laws and regulations and relevant provisions of the of the stock exchange where the Company's shares are listed;

(VI) The proposal does not conform to the provisions of the Articles of Association.

Article 59 The convener shall inform each shareholder the annual shareholders' general meeting by way of announcement 21 days before the meeting, and shall inform each shareholder the extraordinary shareholders' general meeting by way of announcement 15 days before the meeting. In determining the commencement date and the period, the Company shall not include the date on which the meeting is held, but shall include the date on which the notice is given.

Article 60 A notice of shareholders' general meeting shall:

(I) Specify the place, date and time of the meeting;

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

(III) Contain a conspicuous statement that all shareholders shall be entitled to attend the general meeting and may appoint in writing one or more proxies to attend and vote at the meeting on his/her behalf and such proxy needs not be a shareholder of the Company;

(IV) Specify the record date for shareholders who are entitled to attend the general meeting;

(V) State the names and telephone numbers of the permanent contact persons for the matters of the general meeting;

(VI) Specify the voting time and voting procedures of the meeting for the online voting or other means of voting.

The notice and the supplementary notice of the general meeting shall fully and completely disclose all the specific content of all proposals.

The starting time for voting through the online voting system at a general meeting is 9:15 am on the day the general meeting is held, and the voting shall conclude at 3:00 pm on the day on which the on-site general meeting held is adjourned. The time for online voting through the trading system of the Shenzhen Stock Exchange shall be the trading hours on the day the general meeting is convened. If there are any special requirements under the listing rules of the stock exchange in the place where the shares of the Company are listed, such requirements shall prevail.

The interval between the shareholding record date of a shareholders' general meeting and the date of the meeting shall be no more than 7 working days. The shareholding record date shall not be changed once confirmed.

Article 61 In the event that matters involving the election of directors are to be considered at the shareholders' general meeting, the notice of such general meeting shall fully disclose the detailed information of the candidates for such directors, which shall at least include the following:

(I) Personal particulars including education background, working experience and any part-time job;

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

(III) The shareholdings in the Company;

(IV) Whether they have been penalized by the CSRC or other related authorities or reprimanded by any stock exchange;

(V) The information of the directors appointed, or re-elected or re-designated that must be disclosed according to the provisions of Hong Kong Listing Rules.

Apart from directors elected through the cumulative voting system, each candidate of director shall be individually proposed.

Article 62 Unless otherwise provided by laws, administrative regulations, listing rules of the stock exchange where the Company's shares are listed or the Articles of Association, notice of the shareholders' general meeting may also be given by way of public announcement.

Subject to the relevant provisions of laws and regulations, and the requirements of the listing rules of the place where the Company's shares are listed, and subject to the performance of the relevant procedures, the Company can issue the notice of the shareholders' general meeting to the holders of H shares by publications on the website of the Company or the websites designated by Hong Kong Stock Exchange or otherwise permitted by Hong Kong Listing Rules and the Articles of Association.

Article 63 After issuance of the notice for shareholders' general meeting, the shareholders' general meeting shall not be postponed or cancelled without proper reasons and the proposals specified in the notice shall not be withdrawn. In case of delay or cancellation, the convener shall give a notice stating reasons at least two (2) working days before the date when the meeting is convened. If the convention of the shareholders' general meeting is postponed, the date for the postponed meeting shall be announced in the notice.

### Section 6 The Convening of Shareholders' General Meeting

Article 64 The board of the Company and other conveners shall take such necessary measures to ensure the normal order of the shareholders' general meeting. For any disturbance to the order of the meeting, causes trouble and acts infringing the lawful interests of the shareholders, measures shall be taken to prevent them, and they shall be reported to the relevant authorities for investigation in a timely manner.

Article 65 All holders of ordinary shares listed on the register of shareholders on the shareholding record date or their proxies shall be entitled to attend the shareholders' general meeting and vote in accordance with relevant laws, regulations, listing rules of the place where the shares of the Company are listed and the Articles of Association.

Each shareholder entitled to attend and vote at the general meeting may attend and vote personally or by appointing one representative (who is not necessary to be a shareholder) as his/her proxy. The Company shall, in compliance with all applicable laws and regulations, permit shareholders or their proxies to issue instructions electronically (including but not limited to instructions regarding personal attendance or proxy appointments) and shall ensure the Company's capability to receive such communications via electronic means.

(I) The shareholder's rights to speak at the shareholders' general meeting;

(II) The rights to demand by himself or jointly with others in voting by way of poll;

(III) The rights to vote.

If a shareholder is cooperation, it may appoint one proxy to attend and vote at any general meetings of the Company, and such presence through appointment of proxy shall be deemed to attend in person. Such shareholder may authorize its proxy to sign the proxy form.

If a shareholder is a recognized clearing house or its agent within the meaning of the relevant laws of the place where the shares of the Company are listed, he/she is entitled to appoint proxy or the representative of the Company to act as his/her proxy(ies) at any general meeting, class meeting or creditors' meeting. However, if more than one proxy is appointed, the proxy form shall specify the number and class of shares represented by each of such proxies under the authorization. The proxy form shall be signed by the personnel authorized by the recognized clearing house. Such authorized proxies or corporate representatives shall enjoy the same legal rights as other shareholders enjoy, and are entitled to attend the meeting on behalf of the recognized clearing house or their agent (without presentation of evidence of their shareholding, notarized authorization and/or further proof demonstrating the duly granting of the same) and exercise the rights of the recognized clearing house or their agent (including the rights to speak and vote), as if they were the individual shareholders of the Company.

Article 66 Individual shareholders attending a general meeting in person shall produce their identity cards or other valid proof or evidence of their identities, in the case of attendance by proxies, the proxies shall produce valid proof of their identities and the proxy forms from shareholders.

Where a shareholder is a legal entity, its legal representative or a proxy entrusted by such legal representative shall attend a general meeting. In case of attendance by legal representatives, they shall produce their identity cards and valid proof of their capacities as legal representatives and, in the case of attendance by proxies of such legal representatives, such proxies shall produce their identity cards and the letters of authorization issued by such legal representatives according to law.

Article 67 The appointment of a proxy shall be in writing and signed by the appointing shareholder or his/her attorney duly authorized in writing; where the appointing shareholder is a legal person, such appointment shall be affixed with its seal or signed by its director or attorney duly authorized. The proxy form to appoint a proxy to attend any shareholders' general meeting by a shareholder shall contain the following:

(I) the name of the appointing shareholder and the class and number of the Company's shares held by him/her/it;

(II) the name of the proxy and indicate whether the appointing shareholder has the authority to appoint the proxy;

(III) the specific instructions from the appointing shareholder, including of for, against or abstain concerning each proposal to be resolved on the agenda of general meeting; If the form returned does not indicate how the proxy should vote on the agenda, the proxy may decide whether or not to vote; if so, how to vote;

(IV) Date of signing of the instrument and term of validity;

(V) The signature (or seal) of the principal. If the principal is a corporate shareholder, the seal of the corporate shall be affixed.

Article 68 Where the instrument authorizing the proxy to vote is signed by another person authorized by the principal, the authorization letter or other documents authorizing the signatory shall be notarized. On the basis of violating the relevant laws and regulations and regulatory rules of the place where the Company's shares are listed, the notarized authorized letter or other authorized documents shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other places as specified in the notice of convening the meeting within the time specified by the Company.

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

Where the entrusting party is deceased or incapacitated to act or whose signed proxy form is withdrawn or the relevant shares have been transferred prior to the voting, a vote given in accordance with the terms of the proxy form shall remain valid as long as the Company has not received a written notice of such matters before the commencement of the relevant meeting.

Article 69 A registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of the attendees (or names of organizations), identity card numbers, the number of shares held or voting rights represented and names of the proxies (or name of organizations).

Article 70 The convener and the lawyers engaged by the Company shall verify the validity of the qualifications of shareholders based on such shareholders' register as provided by the securities registration and clearing institution, and shall register the names of the shareholders as well as the amount of their voting shares. The registration for a meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of their voting shares.

Article 71 When a shareholders' general meeting is convened, all the directors, senior management of the Company shall be present at such meeting, and accept shareholders' inquiries at the request of the shareholders' general meeting.

Article 72 A shareholders' general meeting shall be presided over by the chairman of the board of directors. If the chairman is unable or fails to discharge his/her duties, a director jointly recommended by more than half of the directors shall preside over the meeting.

If a shareholders' general meeting is convened by the audit committee, the convener of the audit committee shall preside over the meeting. If the convener of the audit committee is unable or fails to discharge his/her duties, half or more of the members of the audit committee shall designate a member to preside over the meeting.

If a shareholders' general meeting is convened by the shareholders themselves, the convener or the convener nominate a representative to preside over the meeting. If for any reason, the convener is unable to elect a representative as a presider to preside over the meeting, the shareholder holding the most voting shares among the conveners (including shareholder proxy) shall act as the presider to preside over the meeting.

When a shareholders' general meeting is convened, if the chairman of the meeting contravenes the Rules of Procedures for Shareholders' General Meetings, rendering the meeting impossible to proceed, with the consent from half or more of the attending shareholders with voting rights, one person may be nominated at the shareholders' general meeting to serve as the chairman and the meeting may proceed.

Article 73 The Company formulates The Rules of Procedure for General Meetings, and specify in details the procedures for convening holding and voting at the shareholders' general meeting, including notification, registration, reviewing of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meeting and their signing, as well as principle for the authorization granted to the board of directors by the shareholders' general meeting, and the authorization shall be clear and specific. The Rules of Procedure for General Meetings shall be appended to the Articles of Association. They shall be formulated by the board of directors and approved by the shareholders' general meeting.

Article 74 At the annual general meeting, the board of directors shall report their work for the past year to the shareholders' general meeting. Independent non-executive directors shall also present a work report to explain the performance of their duties. The annual work report of the independent non-executive directors shall be disclosed at the latest when the Company issues the notice of the annual general meeting of shareholders.

Article 75 Directors and senior management shall provide explanations regarding and answer the reasonable enquiries and suggestions about the Company from shareholders at the shareholders' general meeting.

Article 76 The chairman of the meeting shall, prior to voting, declare the number of attending shareholders and their proxies as well as the total number of their voting shares, and the number of attending shareholders and their proxies and the total number of their voting shares shall be subject to registration of the shareholders' general meeting.

Article 77 Minutes shall be prepared for general meetings by the secretary to the board. The minutes shall state the following contents:

(I) Time, venue and agenda of the meeting and name of the convener;

(II) The name of the chairman of the meeting and the names of the directors, senior management present at the meeting;

(III) The numbers of shareholders and proxies attending the meeting, total number of voting shares they represent and the percentages of their voting shares to the total share capital of the Company for each shareholder;

(IV) The process of review and discussion, summary of any speech and voting results of each proposal;

(V) Shareholders' questions, opinions, suggestions and corresponding answers or explanations;

(VI) Names of lawyer, vote counters and scrutinizer of the voting;

(VII) Other contents to be included as specified in the Articles of Association.

Article 78 The convener shall ensure that the contents of the minutes are true, accurate and complete. Directors, secretaries to the board of directors, conveners or his/her representative attending or present the meeting and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the signed attendance record of attending shareholders, proxy forms and valid information on internet voting and other means of voting, for a period of not less than ten (10) years. Shareholders may examine photocopies of the minutes of meetings during the Company's office hours free of charge. If any shareholder requests for a photocopy of the relevant minutes of meetings, the Company shall send such photocopies within 7 days upon receipt of the payment for reasonable charges.

Article 79 The convener shall ensure that the shareholders' general meeting be conducted continuously until final resolutions are made. If the shareholders' general meeting is suspended or resolutions cannot be made because of force majeure and other special causes, the convener shall take necessary measures to resume the meeting or directly terminate that meeting as soon as practicable. At the same time, the convener shall report to the local office of the CSRC in the locality of the Company and the stock exchange of the place where the shares of the Company are listed.

## Section 7 Voting and Resolutions at Shareholders' General Meetings

Article 80 Resolutions of shareholders' general meeting shall take the form of ordinary resolutions or special resolutions.

Ordinary resolutions adopted by the shareholders' general meeting shall be passed by more than one half of the voting rights held by shareholders attending the shareholders' general meeting.

Special resolutions at a shareholders' general meeting shall be passed by more than two-thirds of the voting rights held by shareholders attending the shareholders' general meeting.

Article 81 The following matters shall be passed by way of an ordinary resolution at a shareholders' general meeting:

(I) Work reports of the board of directors;

(II) Profit distribution plan and loss recovery plan formulated by the board of directors;

(III) Appointment and removal of members of the board of directors, their remuneration and method of payment thereof;

(IV) Appointment, dismissal and remuneration of accounting firms;

(V) Matters other than those requiring the approval by way of special resolutions in accordance with the provisions of the laws, administrative regulations, listing rules of the place where the shares of the Company are listed or the Articles of Association.

Article 82 The following matters shall be passed by way of a special resolution at a shareholders' general meeting:

(I) Amendment of the Articles of Association and its appendixes (including the rules of procedure for general meetings, the rules of procedure for meetings of the Board);

(II) Amendment or abolition of all or any right appended to any class shares;

(III) Increase or reduction of the registered capital;

(IV) The Merger, division, dissolution, liquidation (including voluntary liquidation) or changes in the organizational form of the Company;

(V) Spin-off of subsidiaries for listing;

(VI) Purchases or disposals of material assets or the amount guarantees provided to others within twelve consecutive months which are more than 30% of the latest audited total assets of the Company;

(VII) Issuance by the Company of shares, convertible bonds and other securities as recognized by CSRC;

(VIII) Repurchase of shares for the purpose of reducing the registered capital;

(IX) Restructuring of major assets;

(X) Share incentive plan;

(XI) Resolution of the shareholders' general meeting to voluntarily withdraw its shares from the stock exchange in the place where the shares of the Company are listed and traded, and the decision to cease the trading on any stock exchange or to apply for trading or transfer on other trading venues;

(XII) Other matters required by laws, administrative regulations, the listing rules of the place where the shares of the Company are listed and the Articles of Association and those that the shareholders' general meeting by way of an ordinary resolution concluded that may have a material impact on the Company and require adoption by way of a special resolution.

The resolutions mentioned in items (V) and (XI) above, in addition to being required to be passed by more than two thirds of voting rights held by shareholders present at the shareholders' general meeting, requires also the approval of more than two thirds of voting rights held by other shareholders present at the meeting excluding the Company's directors, senior management and shareholders who individually or collectively hold more than 5% of the listed company's shares.

Article 83 Unless an individual shareholder is required to abstain from voting on specific matters as stipulated in the Listing Rules, a shareholder who has completed the registration procedures shall have the right to vote on-site at the general meeting. Other shareholders who have not completed the registration procedures shall have the right to participate in the voting through other means established by the Company in accordance with the requirements of the Shenzhen Stock Exchange and the Hong Kong Stock Exchange. Shareholders (including proxies) shall exercise their voting rights by the number of voting Shares they represent, and each share shall have one vote. Shareholders shall have the right to speak at a general meeting.

When the shareholders' general meeting considers matters that could materially affect the interest of medium and small investors, the votes by medium and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly in accordance with the relevant laws and regulations and the rules of the stock exchange of the place where the shares of the Company are listed.

The aforesaid medium and small investors are shareholders other than the Company's directors, senior management officers and shareholder(s) severally or jointly holding more than 5% (inclusive) shares of the Company.

Shares held by the Company do not carry voting rights, and shall not be counted in the total number of voting shares represented by shareholders present at a shareholders' general meeting. Where a shareholder's purchase of the Company's voting shares violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed proportion shall not be exercised within 36 months after the purchase, and such shares shall not be included in the total number of voting shares of the shareholders attending the general meeting.

The Company's Board, independent non-executive directors, and holders of domestic-listed domestic shares holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC, may publicly solicit voting rights from shareholders. If there are any special requirements under listing rules of stock exchange in the place where the shares of the Company are listed, such requirements shall prevail.

When soliciting voting rights from the shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. Consideration or de facto consideration for collecting shareholders' voting rights is prohibited. Except for statutory conditions, the Company shall not impose restrictions on the minimum shareholding proportion against the solicitation of shareholders' voting rights.

Article 84 When the shareholders' general meeting considers related party transactions, the related party shareholders shall not participate in the voting. His/her shares held with voting rights will not be counted within the total number shares of valid votes. The resolutions of the shareholders' general meeting shall fully disclose the voting results of the non-related party shareholders.

The procedures for the related shareholders regarding evading and voting are:

(I) If any matter considered at the shareholders' general meeting is related to any shareholder, such shareholder shall disclose his/her connected relationship to the Company's board of directors prior to the convening of the meeting;

(II) When any related party transaction is being considered at the shareholders' general meeting, the chairman of the meeting shall announce the shareholders with connected relationships, and explain the related shareholders' relationships with the related party transactions. If the related shareholders raise an objection, the board of directors of the Company shall decide whether they should evade;

(III) In the event that the related shareholders have no objection or the related shareholders raise an objection, but the board of directors of the Company decides that it shall withdraw from voting, the chairman of the meeting declares the related shareholders shall evade, and non-related party shareholders shall consider and vote on the related party transactions;

(IV) Resolutions on related party transactions shall be voted by non-related party shareholders present at the shareholders' general meeting in accordance with the relevant requirements of the Articles of Association;

(V) If related shareholders fail to evade in respect of the related party transactions in accordance with the above procedures, the resolutions concerning the related party transactions shall be null and void, and shall be subject to re-voting.

Article 85 Unless the Company is in a special situation such as a crisis, the Company will not, without approval by a special resolution at a shareholders' general meeting, enter into a contract to handover all or material business management of the Company to a person other than to a director and senior management.

Article 86 The list of candidates for director shall be proposed to the shareholders' general meeting for voting.

The ways and procedures for nominating directors of the Company are:

(I) When a re-election of the board of directors or an additional or replacement of director made by the board of directors takes place, incumbent board of directors and shareholders individually or collectively holding over 1% of the Company's shares may nominate candidates, without exceeding the number of persons to be elected, for the position of director for the next session of the board of directors or additional candidates for the position of director who are not staff representatives;

(II) Candidates for directors who are employee representatives shall be democratically elected by the company's employees through employee representative's meeting, employee's meeting, or other means, and do not need to be submitted to the company's shareholders' general meeting for resolution;

(III) The shareholders shall provide the board of directors with the resumes and basic particulars of the nominated candidates for the position of director. The incumbent board of directors shall conduct a review on qualifications. The qualified directors or supervisors shall be submitted to the shareholders' general meeting for election;

(IV) At request of the Company, the candidates for the position of director shall undertake to the Company in written form the followings, including but not limited to, agreeing to accept the nomination, undertaking that the information submitted about themselves are true and complete, and warranting that they will duly perform the duties upon successful election.

When election of the directors is voted at the shareholders' general meeting, the cumulative voting system can be applied in accordance with the provisions of the Articles of Association or the resolution of the shareholders' general meeting.

The "cumulative voting system" referred to in the preceding paragraph means each share shall have the same voting right as the number of directors to be elected, when election of directors is voted at the shareholders' general meeting. The voting right held by shareholders may be used collectively. The board of directors shall state the resumes and basic particulars of the candidates for directors to the shareholders.

The applicable cumulative voting system voted at the shareholders' general meeting shall be conducted under the following principles:

(I) The number of director candidates may exceed the number of persons to be elected at the shareholders' general meeting whereas the number of persons to be elected voted by each shareholder shall not exceed the number of directors to be elected at the shareholders' general meeting. The total number of votes attributed may not exceed the number of votes owned by shareholders, otherwise the votes will be invalid;

(II) Independent non-executive directors, non-executive directors and executive directors vote separately. When electing an independent non-executive director, each shareholder is entitled to receive the number of votes equal to the number of shares held by him/her multiplied by the number of independent non-executive directors to be elected, during which the votes are only for independent non-executive director candidates of the Company; when electing a non-executive director, each shareholder is entitled to receive the number of votes equal to the number of shares held by him/her multiplied by the number of non-executive directors to be elected, during which the votes are only for non-executive director candidates of the Company; when electing an executive director, each shareholder is entitled to receive the number of votes equal to the number of shares held by him/her multiplied by the number of executive directors to be elected, during which the votes are only for executive director candidates of the Company;

(III) The election of director candidates are determined in the order of number of votes, while the minimum votes for each elected person shall exceed half of the total number of shares held by shareholders (including proxies) present at the shareholders' general meeting. If the number of elected director is lower than the number of director candidates to be elected at the shareholders' general meeting, shareholders shall vote again as to the shortage on director or supervisor candidates without enough votes. The Company will conduct an additional election for the next general meeting if the shortage remains. If more than two (2) director candidates receive the same votes, while only part of the persons may be elected as limited by the number of election, shareholders shall individually vote again on the election for director candidates with same votes.

Article 87 Other than the cumulative voting system, the shareholders' general meeting shall vote on all proposals one by one. Where different proposals for the same issue are proposed, such proposals shall be voted on in the order of time in which they are proposed. Other than special reasons such as force majeure which results in the interruption of the shareholders' general meeting or makes it impossible to come to resolution, the shareholders' general meeting shall not set aside the proposals or withhold from voting.

Article 88 No amendments shall be made to a proposal when it is considered at the shareholders' general meeting. Amended proposal shall be deemed as a new proposal and shall not be voted at the same general meeting.

Article 89 Each voting right shall be exercised either at the meeting or by any of other available means. The first vote shall prevail in cases when a given voting right is exercised repeatedly.

Article 90 Voting is conducted by open ballot at the shareholders' general meeting.

Article 91 Before voting on a proposal at the shareholders' general meeting, two shareholder representatives shall be elected to participate in vote counting and scrutinizing. If any shareholder is connected with the matters to be considered, such shareholder and its proxy shall not participate in the counting or scrutinizing of votes.

When resolutions are to be voted at the shareholders' general meeting, the counting of votes and scrutinizing of the vote counting shall be conducted by lawyers, shareholder representatives and other vote counting representatives. The voting results are to be announced immediately. The voting results on resolutions shall be recorded in the minutes of the meeting.

The shareholders of the Company or their proxies who cast votes by online voting or other means shall be entitled to check their respective voting results through corresponding voting systems.

Article 92 The on-site voting shall not end earlier than the network voting or any other method of voting at the shareholders' general meeting. The chairman of the meeting shall announce details of voting in connection with each proposal and the voting result. The chairman of the meeting shall be held responsible for announcing whether or not a resolution has been passed based on voting result, and such result shall be announced at the meeting and be recorded in the minutes of meeting. The minutes of meeting, the attendance register and proxy forms shall be kept at the Company's domicile.

The Company, counting and monitoring parties, shareholders, network service provider and others involved in on-site, online or other kinds of voting at the shareholders' general meeting shall not disclose the voting results to any other party before such results are officially announced.

Article 93 Shareholders who attend the shareholders' general meeting shall take one of the following stances when a resolution is put forward for voting: for, against or abstain, unless securities registration and settlement institutions, as the nominal holders of shares that can be traded through Mainland-Hong Kong Stock Connect, make declarations according to the intention of actual holders.

Any unfilled, improperly filled or poorly handwritten votes or votes that are not cast shall be considered as abstentions from voting by the shareholders. Its respective shares shall be counted as "abstentions" in the voting results.

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

Article 94 If the chairman of the meeting has any doubts about the voting result of a resolution, he may arrange the recounting of the votes. If the chairman of the meeting does not arrange the recounting of the votes, a shareholder or proxy attending the meeting who dissents from the result announced by the chairman of the meeting shall be entitled to request the recounting of votes immediately after the announcement of the voting result, in which case the chairman of the meeting shall immediately arrange the re-counting of the votes. If the counting of votes is conducted at a shareholders' general meeting, the result of the counting shall be recorded in the minutes of meeting.

Article 95 Resolutions of a shareholders' general meeting shall state the number of the shareholders attending the meeting and their proxies, the total number of voting shares held by them and the percentage in the total number of voting shares of the Company, voting method, voting result of each proposal, and details about all passed resolutions.

Article 96 If any proposal is not adopted, or the current general meeting amends the resolution of the last general meeting, special indication thereof shall be given in the announcement of the resolution of the shareholders' general meeting.

Article 97 Where proposed resolutions in relation to the election of directors are passed at a general meeting, the time of taking office for the new directors or supervisors shall be the time specified in the resolution of the general meeting. If the resolution of the general meeting does not specify the time of taking office, the time of taking office for the new directors shall be when the shareholders' general meeting concludes.

Article 98 If the shareholders' general meeting passes motions in connection with the distribution of cash dividend, allotment of bonus shares, or conversion of capital common reserve fund into share capital, the Company shall implement detailed plans thereof within two (2) months after the conclusion of such general meeting.

## Section 8 Special Procedures for Voting at Class Meetings

Article 99 Shareholders who hold different classes of shares shall be shareholders of different classes. Shareholders of different classes shall enjoy rights and undertake obligations in accordance with the laws, administrative regulations and the Articles of Association. Apart from holders of other classes of shares, holders of domestic shares and H shares are regarded as shareholders of different classes.

Article 100 The Company shall not proceed to change or abrogate the shareholders' rights of a class of shares unless such change or abrogation has been approved by way of a special resolution at the shareholders' general meeting and at a separate class meeting by the shareholders of the affected class in accordance with Articles 102 to 106.

Article 101 The rights of shareholders of a certain class shall be deemed to have been changed or abrogated in the following conditions:

(I) an increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

(II) conversion of all or part of the shares of such class into shares of another class or conversion of all or part of the shares of another class into shares of such class or the grant of the rights to such conversion;

(III) a removal or reduction of rights to accrued dividends or cumulative dividends attached to the shares of such class;

(IV) a reduction or removal of a dividend preference or property distribution preference during the liquidation of the Company, attached to the shares of such class;

(V) an addition, removal or reduction of share conversion rights, options, voting rights, transfer rights, preemptive rights or rights to acquire the securities of the Company attached to the shares of such class;

(VI) a removal or reduction of rights to receive amounts payable by the Company in a particular currency attached to the shares of such class;

(VII) creation of a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of that class;

(VIII) an imposition of restrictions or additional restrictions on the transfer of or ownership of the shares of such class;

(IX) an issuance of rights to subscribe for, or convert into, the shares of such class or another class;

(X) an increase in the rights and privileges of the shares of another class;

(XI) a restructuring plan of the Company that causes shareholders of different classes to bear liability to different extents during the restructuring;

(XII) any amendment to or repeal of the provisions of this section.

Article 102 Shareholders of the affected class, whether or not having the right to vote at the shareholders' general meeting, shall have the rights to vote at class meetings in respect of matters referred to in paragraphs (II) to (VIII) and (XI) to (XII) in Article 101, except that interested shareholders shall not vote at class meetings.

Article 103 Resolutions of a class meeting may be passed only by more than two-thirds of the voting rights of that class represented by the shareholders attending the meeting in accordance with Article 104.

Article 104 Where the Company convenes a class meeting, the requirements as to the notice period of the meeting shall apply the relevant provisions in Article 59 of the Articles of Association. If there are any special requirements under listing rules of stock exchange the place where the shares of the Company are listed, such requirements shall prevail.

Article 105 The notice of the class meeting shall be delivered only to the shareholders entitled to voting thereat. The procedures of a class meeting shall, to the extent possible, be identical with the procedures of a shareholders' general meeting. The provisions of the Articles of Association in relation to the procedures for the holding of a shareholders' general meeting shall be applicable to a class meeting.

Article 106 In addition to the holders of other classes of shares, holders of domestic-listed domestic shares and overseas-listed foreign shares are deemed to be different classes of shareholders.

The special procedures for voting in the class meetings shall not apply under the following circumstances:

(I) Where the Company issues domestic-listed domestic shares and overseas-listed foreign shares, upon approval in the form of a special resolution by its shareholders at a shareholders' general meeting, either separately or concurrently, once every 12 months and the number of each of the domestic-listed domestic shares and overseas-listed foreign shares to be issued is not more than 20% of the same type of shares in issue;

(II) Where the Company's plan to issue domestic-listed domestic shares and overseas-listed foreign shares upon its incorporation is implemented within 15 months from the date of approval by the securities regulatory authorities under the State Council;

(III) Where a holder of domestic shares of the Company transfers its shares to a foreign investor with approval from the securities regulatory authorities under the State Council and such shares are listed on an overseas stock exchange.

## Chapter 5 Board of Directors

### Section 1 Directors

Article 107 A director of the Company is a natural person. The directors shall include executive directors, non-executive directors and independent non-executive directors. The executive directors shall be the directors participating in the production and operation of the Company; the non-executive directors shall be the directors other than independent non-executive directors who do not participate in the production and operation of the Company; the independent non-executive directors shall be the directors who, pursuant to the Listing Rules of the Stock Exchange where the Company's shares are listed and the provisions of these Articles, are not holding any other positions in the Company other than the director and have no direct or indirect interests with the Company, its substantial shareholders or actual controller, or other relationships that may affect him/her from making an independent and objective judgment.

The following persons shall not serve as directors of the Company:

(I) persons without capacity for or with limited capacity for civil conduct;

(II) persons who have committed offences relating to corruption, bribery, embezzlement of property, misappropriation of property or disruption of socialist economic order and have been sentenced to criminal punishment, or who have been deprived of their political rights due to the commission of a criminal offense, where less than five (5) years has elapsed since the date of completion of the imprisonment, For those who have been given a suspended sentence, the period of less than two (2) years has elapsed since the expiration of the probation period;

(III) persons who were former directors, factory managers or manager of a company or enterprise which was declared bankrupt and was liquidated due to mismanagement and who were personally liable for the bankruptcy of such company or enterprise, where less than three (3) years has elapsed since the date of completion of the bankruptcy and liquidation of the company or enterprise;

(IV) persons who were legal representatives of a company or enterprise which had its business license revoked and was ordered to close down due to violation of the law and who were personally liable, where less than three (3) years has elapsed since the date of the revocation;

(V) persons who have a substantial amount of debts due and outstanding and are listed as dishonest debtors by the People's Court;

(VI) persons who have been punished by the CSRC through taking measures to ban them from the securities market for a period which has not yet expired;

(VII) persons who have been publicly recognized by the stock exchange where the Company's shares are listed or relevant regulatory authorities as unsuitable for serving as a director (including but not limited to the determination of the independence of independent non-executive directors) and senior management of the Company for a period that has not yet expired;

(VIII) other circumstances that prohibit a person as stipulated in laws, administrative regulations, departmental rules or listing rules of stock exchange of the place where the shares of the Company are listed.

If a director is elected or appointed in violation of the provisions of this Article, the election, appointment or employment shall be invalid. Any director fulfilling the circumstances in this Article during his/her tenure shall be removed by the Company, and cease to perform his or her duties.

Article 108 Directors shall be elected or changed by the shareholders' general meeting and serve a term of 3 years. A director may serve consecutive terms if re-elected upon the expiry of his/her term, but the term of office of an independent non-executive director shall not exceed 6 years. Prior to the expiration of a director's term, his appointment shall not be terminated by the shareholders' general meeting without reasons. The shareholders' general meeting shall remove a director before expiration of his/her term by an ordinary resolution in accordance with the relevant laws and administrative regulations and the applicable provisions provided by the securities regulatory authorities where the shares of the Company are listed (however, any claim for damages which may be raised by such director in accordance with any contract will not be affected).

A director's term of service commences from the date he takes office, until the current term of service of the board of directors ends. If a director's term of service expires but a new director is not elected in a timely manner, the original director shall continue to carry out the director's duties according to the laws, administrative regulations, departmental regulations and the Articles of Association until the newly elected director takes office.

A director's post may be assumed by the senior management, but the sum of the total number of directors who also assume the duties of the senior management and the number of staff representative directors, shall not exceed one half of the total number of directors of the Company.

Article 109 The directors shall comply with the laws, administrative regulations and the Articles of Association and should be taken to avoid conflicts between one's own interests and the interests of the Company, and power should not be used to seek improper benefits. The directors shall faithfully perform their following obligations to the Company:

(I) not to misappropriate the properties of the Company and not to misappropriate the fund of the Company;

(II) not to deposit any assets or money of the Company in any accounts under their names or in the names of other persons;

(III) not to abuse their rights to accept bribes or other illegal income;

(IV) not to enter into a contract or conduct a transaction with the Company directly or indirectly without reporting to the executive office of managers, the board of directors or the shareholders' general meeting and obtaining approval of the executive office of managers, the board of directors or the shareholders' general meeting in accordance with the provisions of these Articles of Association;

(V) not to use their position to obtain business opportunities which should be available to the Company for themselves or others, unless they report this to the board of directors or shareholders' general meeting and the resolution is approved by the shareholders' general meeting, or the company is prohibited from taking advantage of the business opportunity in accordance with the law, administrative regulations or these Articles of Association;

(VI) not to operate his/her own or others' business which is similar to the Company's business without reporting to the board of directors or the shareholders' general meeting and obtaining approval by the shareholders' general meeting;

(VII) not to accept commissions in relation to transactions between any third party and the Company;

(VIII) not to disclose the secrets of the Company without consent;

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

(X) to be bound by other obligations stipulated by the laws, administrative regulations, departmental rules and the Articles of Association.

The Company shall be entitled to the income gained by the directors in violation of this Article; the director shall be liable for compensation if any loss is caused to the Company.

The provisions of paragraph 2, Item (IV) of this article shall apply to contracts or transactions between the company and the close relatives of directors and senior management, enterprises directly or indirectly controlled by directors, senior management or their close relatives, and related persons with other affiliated relationships with directors and senior management.

Article 110 The directors shall comply with the laws, administrative regulations, listing rules of the stock exchange where the Company's shares are listed and the Articles of Association, and must be performed with the reasonable care normally expected of an officer in the best interests of the Company. The directors shall diligently perform their following obligations to the Company:

(I) to exercise prudently, conscientiously and diligently the rights granted by the Company to ensure that the Company's commercial activities are in compliance with the laws, administrative regulations and the requirements of economic policies of China and that its commercial activities are within the scope stipulated in the business license;

(II) to treat all shareholders equally and fairly;

(III) to understand the operation and management of the Company in a timely manner;

(IV) to approve regular reports of the Company in written form and to ensure the integrity, accuracy and completeness of the information disclosed by the Company;

(V) to provide all relevant information required by the audit Committee and shall not intervene the performance of the audit Committee of their duties;

(VI) to perform other obligations of diligence stipulated by the laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 111 A director who fails to attend two consecutive meetings of the board of directors in person or by proxy shall be deemed as unable to perform his/her duties. The board of directors shall propose to the shareholders' general meeting for removal of such director.

Article 112 A director may resign before expiry of his/her term of service. When a director resigns, he shall submit a written resignation notice to the Company and the resignation will take effect on the date the Company receives the resignation notice or on the date specified in the resignation notice. The Company shall make relevant disclosure within two (2) trading days.

If the member of directors falls below the minimum statutory requirement due to a director's resignation, or independent non-executive director resigns resulting in the proportion of independent non-executive directors on the board of directors or its specialized committees not complying with the provisions of the Listing Rules of the place where the Company's shares are listed or the Articles of Association, or if there is a shortage of accounting professionals among the independent non-executive directors, the resignation notice shall only take effect after the next director or independent non-executive director fills the vacancy created by his resignation. The former directors shall still perform their duties as directors in accordance with the requirements of laws, administrative regulations, departmental rules and the Articles of Association before the appointment of the re-elected directors.

If a director resigns, the Company shall complete the re-election within sixty days from the date of their resignation to ensure that the composition of the board of directors and its special committees complies with the provisions of laws, regulations and these Articles of Association.

Article 113 The Company has established a director departure management system, which clearly defines the safeguards for accountability and compensation for unfulfilled public commitments and other uncompleted matters. When a director's resignation takes effect or his/her term of service expires, the director shall complete all transfer procedures with the board of directors. His/her fiduciary duties towards the Company and the shareholders do not necessarily cease after the end of his/her term of service and remain valid for three years after the end of his/her term of service. The duty of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such trade secrets become publicly available information. Other duties of the director may continue for such period as the principle of fairness may require. The responsibilities that a director should bear for performing his duties during his term of office shall not be exempted or terminated due to his resignation.

Article 114 The shareholders' general meeting shall remove a director by an ordinary resolution and the removal takes effect on the date the resolution is passed. If a director is removed before the expiration of his term without justifiable reasons, the director may seek compensation from the Company.

Article 115 Unless provided by the Articles of Association or legally authorized by the board of directors, no director shall act on behalf of the Company or the board of directors. When a director acts in his/her own name and a third party reasonably considers such director acts on behalf of the Company or the board of directors, such director shall declare in advance his/her position and capacity.

Article 116 If the director causes damage to others while performing his/her duties in the company, the Company shall bear the liability for compensation; if the director acts with intent or gross negligence, he/she shall also bear the liability for compensation. The director shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules in the place where the Company's shares are listed or the Articles of Association in the course of performing his/her duties.

## Section 2 Board of Directors

Article 117 The Company shall have a board of directors accountable to the shareholders' general meeting.

Article 118 The board of directors shall consist of eight (8) directors, including three (3) executive directors, one (1) employee representative director, one (1) non-executive director and three (3) independent non-executive directors, and board of directors shall have a chairman.

Article 119 The board of directors shall perform the following duties:

(I) to convene general meetings and to report to general meetings;

(II) to implement the resolutions of general meetings;

(III) to determine business operation plans and investment plans of the Company;

(IV) to formulate the profit distribution plans and plans for recovery of losses of the Company;

(V) to formulate proposals of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;

(VI) to formulate plans for any substantial acquisition by the Company, repurchase of the shares or merger, division, dissolutions and change of the form of the Company;

(VII) to decide on matters relating to the Company's external investment, acquisitions or disposal of assets, mortgage of assets, external guarantee, entrusted wealth management, connected transactions and external donations as authorized by general meetings;

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

(IX) to decide on the appoint or dismissal the Company's manager, secretary to the board of directors and other senior management, and their remuneration and rewards and penalties; based on the nominations of the manger, to appoint or dismiss the deputy manager, financial manager and other senior management of the Company and to determine their remuneration and rewards and penalties;

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

(XI) to formulate proposals for any amendments to the Articles of Association;

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

(XIII) to propose to general meetings the appointment or change of the accounting firm acting as the auditor of the Company;

(XIV) to hear the work report of the Company's manager and to review the work thereof;

(XV) to formulate the equity incentive plan of the Company;

(XVI) any other powers as conferred by the laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Matters beyond the scope authorized by the general meeting shall be submitted to the general meeting for consideration.

The board of directors of the Company shall have the audit committee, and establish the nomination committee, remuneration and appraisal committee, and other relevant special committees. The special committees shall be accountable to the board of directors and shall perform their duties in accordance with the listing rules of the stock exchange where the Company's shares are listed, the Articles of Association and the authorization of the board of directors. Their proposals shall be submitted to the board of directors for deliberation and decision. All special committees are comprised of directors. More than half of members of the audit committee, the nomination committee, and the remuneration and appraisal committee shall be independent non-executive directors, who shall also be the conveners, provided that the convener of the audit committee shall be an accounting professional, and the members of the audit committee shall be non-executive directors and/or independent non-executive directors who are not senior management members of the Company. The board of directors shall be responsible for formulating the working rules of the special committees and regulating their operation.

Article 120 The board of directors of the Company shall make explanations to the general meeting in relation to the non-standard audit opinions produced by certified public accountants on the financial reports of the Company.

Article 121 The board of directors shall formulate rules of procedure for the board meetings to ensure execution of resolutions of the general meeting, enhance the work efficiency, and ensure scientific decision making of the board of directors.

The rules of procedure of the board of directors which set out holding and voting procedures of the board meeting, shall be attached to the Articles of Association and be drawn up by the board of directors and approved by the general meeting.

Article 122 External investments, acquisitions or disposal of assets, external guarantee, entrusted wealth management, connected transactions, external donations and others that are subject to consideration and approval by the board of directors are as follows:

(I) Except for the major transactions (other than provisions of guarantee and financial assistance) subject to consideration and approval at the general meetings required by the Articles of Association, transactions of the Company meeting any of the following standards shall be submitted to the board of directors for consideration and approval:

1. the total assets involved in the transaction account for more than 10% of the Company's latest audited total assets. Where the total assets involved in the transaction have both book value and appraised value whatever is higher shall be taken for calculation;

2. the operating revenue related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 10% of the Company's audited operating revenue for the latest accounting year, with an absolute amount exceeding RMB10 million;

3. the net profit related to the subject of the transaction (for instance, equity interest) for the latest accounting year accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million;

4. the transaction amount of the transaction (including the debt and expenses) accounts for more than 10% of the Company's latest audited net assets, with an absolute amount exceeding RMB10 million;

5. the profit derived from the transaction accounts for more than 10% of the Company's audited net profit for the latest accounting year, with an absolute amount exceeding RMB1 million.

In case the figure involved in the above index calculation is negative, the absolute value thereof shall be taken for calculation.

(II) Except for the provision of guarantee that needs to be considered and approved at the general meeting as provided in the Articles of Association, any guarantee to be provided by the Company shall be submitted to the board of directors for consideration. The guarantee within the authority of the board of directors requires the approval of more than two-thirds of the directors attending the board meeting.

(III) In addition to the related party transactions that shall be considered and approved by the general meeting as stipulated in the Articles of Association, the following related transactions (other than provisions of guarantee and financial assistance) of the Company are determined:

1. Any related party transaction between the Company and its related legal person with a transaction amount of over RMB3 million and representing more than 0.5% of the Company's latest audited net assets value;

2. Any related party transaction between the Company and its related natural person with a transaction amount of over RMB300,000.

Such matters that fall into the authority of the board of directors in the above paragraph, shall be submitted to the general meeting for consideration and approval if required by laws, regulations and normative documents.

For the foregoing matters, the board of directors shall formulate a strict approval and decision making procedure; material investment projects shall be reviewed by relevant experts and professionals. Matters beyond its limits of authority shall be proposed to the general meeting for approval.

(IV) In addition to the financial assistance that shall be submitted to the general meetings for consideration and approval required by the Articles of Association, other financial assistance matters are considered and approved by the board of directors. When the board of directors considers the financial assistance matters, such financial assistance matters are required to be approved and resolved by more than two-thirds of the directors attending the board meeting, and the board of directors shall perform its information disclosure obligations in a timely manner.

Article 123 The board of directors shall have a chairman, and shall be elected by more than half of all directors.

Article 124 The chairman of the board of directors shall perform the following duties and powers:

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

(II) to supervise and inspect the implementation of resolutions passed by the board of directors;

(III) to sign the securities certificates issued by the Company;

(IV) to exercise other functions and powers conferred by the board of directors.

Article 125 If the chairman is unable or fails to perform his duties, a director shall be elected jointly by more than half of the directors to perform such duties.

Article 126 Board meetings shall be held at least four times a year, and shall be convened by the chairman, with written notice of meeting sent to all the directors fourteen (14) days in advance.

Article 127 A provisional board meeting may be convened upon proposal by shareholders representing at least one tenth of the total voting rights, by at least one third of the directors or the audit committee, by more than half of the independent non-executive directors. The chairman shall convene and preside over a board meeting within ten (10) days after receipt of the proposal. The chairman may, when considering it necessary, decide to convene and preside over a provisional board meeting. Where the securities regulator requires the Company to convene a provisional board meeting, the chairman shall convene and preside over a board meeting within ten days after receipt of the requirement from the securities regulator.

Article 128 The notice on convening a provisional board meeting can be served by hand, post, facsimile, email, SMS (Short Message Service) and in the form of data message such as electronic data interchange that can tangibly represent the content so contained; and shall be served and sent five days prior to the convening of the provisional board meeting.

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

Article 129 The notice of a board meeting shall specify:

(I) the date and venue of the meeting;

(II) the form of the meeting;

(III) duration of the meeting;

(IV) reason and proposals;

(V) meeting materials necessary for voting of directors;

(VI) requirement that directors shall personally attend or authorize other directors to attend the meeting;

(VII) the convener and the presider of the meeting, the proponent of the provisional meeting as well as the written proposals;

(VIII) contact person and means of contact;

(IX) date on which the notice is sent.

Article 130 A board meeting shall be attended by more than half of the directors. Resolutions made by the board of directors shall be approved by more than half of all the directors. When a guarantee is raised for consideration and discussion at a board meeting, it shall be considered and approved by at least two thirds of the directors attending the board meeting.

Resolutions of the board of directors shall be voted on as per "one person, one vote" system. Where there is an equality of votes cast both for and against a resolution, the chairman shall have the right to cast one more vote.

Article 131 Except for the exceptions specified in the Articles of Association approved by the Hong Kong Stock Exchange, a board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution made at the board meeting shall be passed by more than half of the non-connected directors, but if the matter considered is a matter that must be passed by more than two thirds of directors, it must be passed by more than two thirds of non-connected directors. If the number of non-connected directors attending the meeting is less than 3, the matter shall be submitted to the general meeting for deliberation.

Article 132 Resolutions of the board of directors shall be voted by way of casting written votes by filling in the ballot or a show of hands. Each director shall have one vote.

As a general rule, the live meeting of the board of directors shall be held. To the extent that the directors are guaranteed the right to fully express their opinions, the provisional board meetings may be conducted and resolutions be made by means of telecommunication, such as video, telephone call, facsimile and email, and such resolutions shall be signed by the directors in attendance.

Article 133 Directors shall attend board meetings in person. If any director cannot attend the meeting for any reason, he may authorize in writing another director to vote on his behalf. The power of attorney shall specify the name of the proxy, the matters delegated, and the scope and term of authorization, and shall bear the signature or seal of the principal. The director attending the meeting on behalf of another director shall exercise rights within the range authorized. If a director fails to attend a board meeting and does not appoint a proxy to act on his behalf, the said director shall be deemed as having waived his right to vote at the meeting.

Article 134 Proxy attendance at board meetings shall follow the principles below:

(I) where related transactions are considered, a non-connected director shall not appoint a connected director to attend the meeting on his behalf, and a connected director shall also not accept the appointment of a non-connected director;

(II) an independent non-executive director shall not appoint an executive director and a non-executive director to attend the meeting on his behalf, and an executive director and a non-executive director shall also not accept the appointment of an independent non-executive director;

(III) a director shall not give any other director carte blanche to attend the meeting on his behalf without providing his own opinions and voting intent on the proposals, and the relevant director shall also not accept the carte blanche or any appointment not well defined;

(IV) one director shall not accept appointment by more than two directors, and a director shall also not appoint any other director who has been appointed by two other directors to attend the meeting on their behalf.

Article 135 The board of directors shall file resolutions as minutes, which shall be signed by the attending directors. Any attending director, the secretary to the board and recorder shall be entitled to have an explanatory note made in the minutes regarding his speech at the meeting.

The minutes of the board meetings shall be kept as archives of the Company for at least ten years.

Article 136 The minutes of a board meeting shall specify:

(I) the date, venue and name of the convener of the meeting;

(II) the names of the attending directors and the directors (proxies) attending the meeting on behalf of others;

(III) the agenda of the meeting;

(IV) summaries of the speeches of directors;

(V) the voting methods and outcome for each proposal (the outcome of the voting shall set out the respective number of assenting or dissenting or abstaining votes);

(VI) other issues that the attending directors think should be recorded.

Article 137 The directors shall sign and be responsible for the resolutions passed at the board meetings. If any resolution of the board meetings runs counter to the laws, administrative regulations or the Articles of Association, thereby incurring material losses to the Company, the directors adopting the said resolution shall be liable for compensating the Company. However, if a director has been proved as having expressed dissenting opinions on the resolution during the voting and such opinions are recorded in the meeting minutes, he/she may be exempt from liability.

### Section 3 Independent Non-executive Directors

Article 138 Independent non-executive directors should conscientiously perform their duties in accordance with the laws, administrative regulations, the China Securities Regulatory Commission, the stock exchange where the Company's shares are listed and the provisions of these Articles of Association, play a role in participating in decision-making, supervising and balancing, and providing professional advice on the board of directors, protecting the Company's interests as a whole, and protect the legitimate rights and interests minority shareholders.

Article 139 Independent non-executive directors must remain independent. The following persons shall not serve as independent non-executive directors:

(I) Persons who hold a position in the listed company or its subsidiaries, their spouses, parents, and children and major social relations;

(II) Persons who directly or indirectly hold more than 1% of the issued shares of the Company, or the natural person shareholders in the top ten shareholders of the Company, and such shareholders' spouses, parents, and children;

(III) Any employee of any corporate shareholder that directly or indirectly holds more than 5% of the Company's issued shares, or any employee of any of the five largest corporate shareholders of the Company, and his/her spouses, and parents, children;

(IV) Persons who hold a position in the controlling shareholders, actual controller's subsidiaries and their spouses, parents, and children;

(V) Persons who have major business transactions with the Company and its controlling shareholders or actual controllers or their respective subsidiaries, or persons who hold positions in units with major business transactions and their controlling shareholders or actual controllers;

(VI) Persons who provide financial, legal, advisory, sponsor services or other services for the Company, its controlling shareholders, its actual controller or their subsidiaries, including but not limited to all the employees of the project team of intermediaries providing services, reviewing officers, and officers, partners, directors, senior management and principals signing the reports;

(VII) Persons who have had any of the circumstances listed in items (1) to (6) within the last 12 months;

(VIII) Other persons who are not independent as recognized by laws, administrative regulations, securities regulators in the place where the Company's shares are listed or/and as stipulated by the Company's Articles of Association.

"Major social relations" stated in the preceding paragraph refer to brothers and sisters, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, parents of son's spouse, parents of daughter's spouse, etc.; "major business transactions" refer to the matters that need to be submitted to the shareholders' general meeting for consideration in accordance with the listing rules of the Shenzhen Stock Exchange or the provisions of the Articles of Association, or other major matters determined by the Shenzhen Stock Exchange; "hold a position" refers to serving as the directors, supervisors, senior management and other employees. The subsidiaries of controlling shareholders and actual controllers of the Company stated in items (IV), (V) and (VI) above exclude the subsidiaries without connected relationships companies that are controlled by the same state-owned assets management agency as the Company and without connected relationship with the Company in accordance with relevant regulations.

Independent non-executive directors should conduct annual self-assessments of their independence and submit the results to the board of directors. The board of directors should annually assess the independence of serving independent non-executive directors and issue a specific opinion, which should be disclosed in the annual report.

Article 140 A person acting as an independent non-executive director of the Company shall meet the following qualifications:

(I) Possess the qualifications to serve as a director of a listed company in accordance with the provisions of laws, administrative regulations and other relevant regulations;

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

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

(IV) Have more than five years of work experience in law, accounting, economics or other fields necessary for performing the duties of an independent non-executive director;

(V) Have good personal morality and no major negative records such as serious dishonesty;

(VI) Other qualifications stipulated by laws, administrative regulations, CSRC, the business rules of the stock exchange where the Company's shares are listed, and these Articles of Association (including but not limited to the restrictions on the term of re-election of independent non-executive directors as specified in the listing rules of the stock exchange where the Company's shares are listed).

Article 141 As members of the board of directors, independent non-executive directors shall owe fiduciary duties and duties of diligence to the Company and all shareholders, and shall prudently perform the following responsibilities:

(I) Participate in the decision-making of the board of directors and express clear opinions on the matters under discussion;

(II) Supervise matters involving potential major conflicts of interest between the Company and its controlling shareholders, actual controllers, directors or senior management, so as to protect the legitimate rights and interests of minority shareholders;

(III) Provide professional and objective suggestions for the Company's business development to improve the decision-making level of the board of directors;

(IV) Other responsibilities as prescribed by laws, administrative regulations, the CSRC and these Articles of Association.

Article 142 An independent non-executive director shall have the following special functions and powers in addition to the general functions and powers:

(I) To independently employ intermediaries to audit, consult or investigate specific matters of the Company;

(II) To propose to the Board of Directors to convene an extraordinary general meeting;

(III) To propose to convene a board meeting;

(IV) To publicly solicit the rights of shareholders from shareholders according to law;

(V) To express independent opinions on matters that may prejudice the rights and interests of listed companies or minority shareholders;

(VI) Other functions and powers as prescribed by laws, administrative regulations, the CSRC and the Articles of the Company.

The independent non-executive directors' exercises the functions and powers listed in items (I) to (III) above shall be exercised by the consent of more than half of all independent non-executive directors.

Where an independent non-executive director exercises the functions and powers listed in paragraph 1 of this Article, the Company shall disclose them in a timely manner. Where the above powers cannot be exercised normally, the Company shall disclose the details and reasons.

Article 143 The following matters shall be submitted to the board of directors of the Company for deliberation with the consent of more than half of all independent non-executive directors of the Company:

(I) Related transactions that should be disclosed;

(II) Plans for the Company and relevant parties to change or waive commitments;

(III) Decisions made and measures taken by the board of directors of the acquired listed company in relation to the acquisition;

(IV) Other matters specified by law, administrative regulations, listing rules of the place where the shares of the Company are listed and/or the Articles of Association of the Company.

Article 144 The Company shall establish a special meeting mechanism attended exclusively by independent non-executive directors. Where the Board deliberates on matters such as related transactions, such matters shall first be approved by the special meeting of independent non-executive directors.

The Company shall convene special meetings of independent non-executive directors on a regular or ad hoc basis. Matters listed in Items (I) to (III) of the first paragraph of Article 142 and Article 143 of these Articles of Association shall be deliberated by the special meeting of independent non-executive directors.

The special meeting of independent non-executive directors may study and discuss other matters of the Company as needed.

The special meeting of independent non-executive directors shall be convened and presided over by one independent non-executive director jointly elected by a majority of the independent non-executive directors; if the convener fails to perform or is unable to perform his duties, two or more independent non-executive directors may convene the meeting on their own and elect a representative to preside over it.

Minutes of the special meeting of independent non-executive directors shall be prepared in accordance with the provisions, and the opinions of the independent non-executive directors shall be recorded in the meeting minutes. The independent non-executive directors shall sign to confirm the meeting minutes.

The Company shall provide facilitation and support for the convening of the special meeting of independent non-executive directors.

## Section 4 Special Committees of the Board of Directors

Article 145 The Company shall not establish a supervisory board or supervisors. The board of directors of the Company shall establish an audit committee, which shall exercise the functions and powers of the supervisory board as stipulated in the Company Law.

Article 146 The audit committee shall consist of 3 directors who do not hold senior management positions in the Company, among whom at least 2 shall be independent non-executive directors. The convener shall be an accounting professional among the independent non-executive directors.

Article 147 The audit committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal controls. The following matters shall be submitted to the board of directors for deliberation after being approved by more than half of all members of the audit committee:

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

(II) Engagement or dismissal of accounting firms undertaking the Company's audit business;

(III) Appointment or dismissal of the Company's chief financial officer;

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

(V) Other matters as stipulated by laws, administrative regulations, CSRC, the relevant regulations of the stock exchange where the Company's shares are listed, and these Articles of Association.

Article 148 The audit committee shall hold at least one meeting per quarter. An interim meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the audit committee may be held only if more than two-thirds of its members are present.

Resolutions of the audit committee shall be adopted by a majority of the members of the audit committee.

Voting on resolutions of the audit committee shall be on the principle of one member, one vote.

Minutes of the audit committee's resolutions shall be prepared in accordance with relevant provisions, and members of the audit committee attending the meeting shall sign the meeting minutes.

The working rules of the audit committee shall be formulated by the board of directors.

Article 149 The board of directors of the Company shall establish other special committees such as the strategy committee, nomination committee, and remuneration and appraisal committee, which shall perform their duties in accordance with these Articles of Association and the authorization of the board of directors. Proposals of the special committees shall be submitted to the board of directors for deliberation and decision. The working rules of the special committees shall be formulated by the board of directors.

Article 150 The nomination committee shall be responsible for formulating the criteria and procedures for the selection of directors and senior management, selecting and reviewing candidates for directors and senior management and their qualifications, and making recommendations to the board of directors on the following matters:

(I) Nominating or appointing/removing directors;

(II) Appointing or dismissing senior management;

(III) Other matters as stipulated by laws, administrative regulations, CSRC, the listing rules of the place where the Company's shares are listed, and these Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the nomination committee, it shall record the opinions of the nomination committee and the specific reasons for non-adoption in the board resolution and make disclosure thereof.

Article 151 The remuneration and appraisal committee shall be responsible for formulating assessment criteria for directors and senior management and conducting assessments thereof, formulating and reviewing remuneration policies and plans for directors and senior management, including the determination mechanism, decision-making procedures, payment, suspension of payment, recovery arrangements and other matters relating to remuneration, and shall make recommendations to the board of directors on the following matters:

(I) Remuneration of directors and senior management;

(II) Formulation or modification of equity incentive plans and employee stock ownership plans, and the fulfillment of conditions for incentive participates to be granted and exercise rights and interests;

(III) Arrangements for directors and senior management to participate in stock ownership plans of proposed spun-off subsidiaries;

(IV) Other matters as stipulated by laws, administrative regulations, CSRC, the listing rules of the place where the Company's shares are listed, and these Articles of Association.

If the board of directors does not adopt or does not fully adopt the recommendations of the remuneration and appraisal committee, it shall record the opinions of the remuneration and appraisal committee and the specific reasons for non-adoption in the board resolution and make disclosure thereof.

## Chapter 6 Managers and Other Senior Management

Article 152 The Company shall have one manager, whose appointment or dismissal shall be decided by the board of directors.

The Company shall have certain deputy managers, whose appointment or dismissal shall be decided by the board of directors.

The manager, deputy managers, financial officers and secretary to the Board are senior management of the Company.

Article 153 The circumstances hereof with respect to disqualified directors of the Company and the regulations on resignation management are applicable to senior management of the Company.

The provisions on directors' obligations of honesty of the Articles of Association and the provisions on directors' obligations of diligence shall also apply to senior management.

Article 154 Staff of controlling shareholders and actual controllers of the Company who serve administrative positions other than directors and supervisors of the controlling shareholders and the actual controllers shall not serve as senior management of the Company. The Company's senior management shall be only paid by the Company, not by the controlling shareholders or actual controllers.

Article 155 The term of the manager is three years; the manager may serve consecutive terms if reappointed.

Article 156 The manager is accountable to the Board and exercises the following duties:

(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 his 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 removal of deputy managers and financial officers of the Company;

(VII) To appoint or remove management personnel, aside from those requiring the Board in approving their appointment or removal;

(VIII) Decisions shall be made on matters such as the Company's external investments, acquisition or disposal of assets, external guarantees, entrusted wealth management, related/connected transactions, external donations, and provision of financial assistance in light of the Company's operational needs, except for matters that, pursuant to relevant laws, regulations, regulatory documents, the listing rules of the stock exchange where the Company's shares are listed and these Articles of Association, shall be deliberated by the board of directors or the shareholders' meeting;

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

The manager shall attend meetings of the Board.

Article 157 The manager shall formulate detailed working rules for the manager and submit the same to the Board for approval and, upon such approval, implement such rules. Where the manager performs his duties, he shall discharge his duties honestly and diligently in accordance with laws, administrative regulations and the Articles of Association.

Article 158 The detailed working rules for the manager shall include:

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

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

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

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

Article 159 The manager may resign prior to the expiration of his term of office. The detailed procedures for the manager's resignation shall set out in the service contract entered into between the manager and the Company.

Article 160 A deputy manager shall be nominated by the manager and appointed or removed by the Board.

A deputy manager shall assist the manager in work and is accountable to the manager. A deputy manager shall be authorized by the manager to handle part of matters and sign on relevant business documents within his duties. The manager may authorize a deputy manager to act as the manager when the manger is not able to perform his duties.

Article 161 The Company shall have a secretary to the Board, who is responsible for the preparation of general meetings and meetings of the Board, the keeping of documentation as well as the management of shareholders' information, handling the matters relating to information disclosure and other matters.

The secretary to the Board shall comply with relevant provisions of laws, administrative regulations, departmental rules, the listing rules of the stock exchange of the place where the Company's shares are listed and the Articles of Association.

Article 162 If a senior management member, in performing his/her duties for the Company, causes damage to another person, the Company shall bear the liability for compensation; if the senior management member is found to have acted intentionally or with gross negligence, he/she shall also bear the liability for compensation. A senior management shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing his duties. The senior management of the Company shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the senior management of the Company fail to faithfully perform their duties or violate their fiduciary duties, causing damage to the interests of the Company and shareholders of public shares, they shall be liable for compensation in accordance with the law.

## Chapter 7 Financial and Accounting System, Profit Distribution and Audit

### Section 1 Financial and Accounting System

Article 163 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and the requirement of relevant regulatory departments of the PRC.

Article 164 The Company shall submit and disclose its annual reports to the CSRC and the stock exchange(s) in the place where the Company's shares are listed within 4 months from the ending date of each fiscal year, submit and disclose the interim reports to the local office of the CSRC and the stock exchange(s) in the place where the Company's shares are listed within 2 months from the ending date of the first six months of each fiscal year. Other regulations of the securities regulatory authorities at the place where the shares of the Company are listed shall prevail.

The above-mentioned annual reports and the interim reports shall be prepared in accordance with relevant laws, administrative regulations and the provisions of the CSRC and the stock exchange in the place where the Company's shares are listed.

Article 165 The Company shall not establish account books other than the statutory account books. The assets of the Company shall not be deposited in any personal account.

Article 166 The Company shall allocate 10% of the annual after-tax 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 is 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 shareholders' general meeting.

After making up for the losses and making contributions to the common reserve fund, any 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 of the Company that profit distributions shall not be made in accordance with the shareholding proportion.

If the shareholders' general meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; if losses are caused to the Company, the shareholders as well as the liable directors and senior management shall bear the liability for compensation.

No profits shall be distributed in respect of the shares held by the Company.

Article 167 Reserves of the Company are used for offsetting losses of the Company, expanding the Company's production and operation or increasing the registered capital of the Company.

When using reserve funds to make up for the Company's losses, discretionary reserve funds and statutory reserve funds shall be used first; if the losses still cannot be fully made up, capital reserve funds may be used in accordance with the relevant provisions.

If the statutory reserve is converted into an increase in registered capital, the balance of the statutory reserve shall not fall below 25% of the Company's registered capital before the increase of the capital.

Article 168 When convening an annual general meeting to review the annual profit distribution plan, the Company may approve: conditions for interim cash dividends in the following fiscal year, maximum ratio and maximum amount of such interim dividends. The upper limit of the next interim dividends approved at the annual general meeting shall not exceed the net profit attributable to the Company's shareholders during the corresponding period. The Board shall formulate specific interim dividend plans in accordance with the shareholders' resolution and profit distribution conditions.

After the profit distribution plan has been adopted at the Company' general meeting, the board of directors of the Company shall complete the dividend (or share) distribution within two months after the general meeting; or after the Company's Board of Directors has formulated a specific plan in accordance with the conditions and upper limit of the next year's interim dividend distribution as considered and approved by the annual general meeting, the Company's Board of Directors shall complete the dividend (or share) distribution within 2 months.

Article 169 The profit distribution policy of the Company is as follows:

(I) Principle of profit distribution

The Company implements a sustainable and stable profit distribution policy. The specific profit distribution method should be determined based on the Company's profit realization condition, cash flow condition and capital scale. The Board and the general meeting of the Company shall fully consider the opinions of the independent non-executive directors and the public investors in the decision-making and demonstration process of the profit distribution policy.

The objective of the Company's plan for cash dividend is to stabilize dividend growth.

When the audit report of the Company for the most recent year is unqualified or unqualified with a paragraph on material uncertainties relating to going concern, or when the year-end gearing ratio exceeds 70%, or when the net cash flow from operating activities for the current year is negative, or when the Company has significant investment plan or significant capital expenditure within the next twelve months, and the payment of cash dividends may result in the cash flow of the Company not being able to satisfy the investment or operating needs of the Company, or when there are other circumstances stipulated by laws and regulations or the rules of the Shenzhen Stock Exchange, etc., no profit distribution may be made.

(II) Form of profit distribution

The Company may distribute dividends in cash, in shares or in a combination of both cash and shares. The Company shall give priority to distribute dividends in cash provided that the conditions for cash dividend distribution are satisfied; under the conditions that Company has any major investment plan or significant cash expenditure, or other circumstances that require meeting the capital requirement for the Company's normal production and operation, the Board may distribute profits by means of shares; in distributing profits by means of shares, the Company should consider true and reasonable factors such as growth, dilution to net assets per share of the Company.

(III) Conditions for cash dividend distribution

On the basis of meeting the following conditions, the Company shall distribute dividends in cash, and if the following conditions are not met, the Company can determine whether to make cash dividend distribution according to the actual situation:

1. The distributable profit of the Company (i.e. any remaining profits after tax after making up for the losses and making contributions to the common reserve fund) is positive in the current year;

2. The auditing organization issues a standard unqualified audit report on the Company's financial report for that year;

3. The implementation of cash dividend distribution shall not affect the Company's subsequent ongoing operations or the proposed major investment plan (excluding fund-raising projects) or major capital expenditure.

Major investment plan or capital expenditure refers to the Company's purchase or sale of major assets within one year with the transaction amount exceeding 30% of the latest audited total assets of the Company and other transactions should be considered and approved by the general meeting of the Company according to the Articles of Association.

(IV) Interval of profit distribution

On the basis of meeting the cash dividend conditions, the Company, in principle, adopts an annual profit distribution policy. When the annual general meeting of the Company is convened to consider the annual profit distribution plan, it may consider and approve the conditions, the upper limit of the ratio and the upper limit of the amount of the cash dividend for the next year's interim period. The upper limit of the next year's interim cash dividend to be considered at the annual general meeting shall not exceed the net profit attributable to the shareholders of the Company for the corresponding period. The Board of Directors shall formulate a specific interim cash dividend program in accordance with the resolution of the shareholders' meeting subject to the conditions for profit distribution.

(V) Proportion of cash dividend distribution

The profit distributed in cash every year shall not be less than 20% of the annual distributable profits provided that the conditions for cash dividend distribution are satisfied. The aforesaid "distributable profits" refers to the net profit attributable to the owners of the parent (on a consolidated basis) in accordance with China Accounting Standards for Business Enterprises. If the shares are repurchased by way of offer or centralized bidding with cash consideration, it shall be regarded as cash dividends of the Company and shall be included in the calculation of the relevant proportion of cash dividends for that year.

Meanwhile, the Board of the Company will formulate differentiated cash dividend policies, in accordance with the procedure stipulated in the Articles of Association and taking various factors into account, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangement:

1. If the Company is fully developed and has no major capital expenditure arrangements, cash dividends shall take up a minimum of 80% in profit distribution;

2. If the Company is fully developed and has major capital expenditure arrangements, cash dividends shall take up a minimum of 40% in profit distribution;

3. If the Company is in a growth stage and has major capital expenditure arrangements, cash dividends shall take up a minimum of 20% in profit distribution.

If it is difficult to define the development stage of the Company, but the Company has major capital expenditure arrangements, the preceding provisions may still be followed.

(VI) Decision-making procedure and mechanism for the profit distribution plan

1. After taking various factors into account, including the Company's industry features, development stages, business model and profitability as well as its capital requirement, the Board of the Company shall carefully study and demonstrate the timing, conditions, minimum ratio and adjustment conditions of the cash dividends, the Company's decision – making procedure and other matters, and propose a profit distribution plan. Independent non-executive directors shall be entitled to express their independent opinions if they consider that the specific plan for cash dividends may prejudice the interests of the Company or the small and medium-sized shareholders. If the Board of Directors does not adopt or does not fully adopt the opinion of the independent non-executive directors, it shall record the opinion of the independent non-executive directors and the specific reasons for non-adoption and disclose the same in the resolution of the Board of Directors.

2. Before the profit distribution plan is considered at the general meeting, the Company will actively communicate and exchange ideas with shareholders, particularly, minority shareholders, through multiple channels and fully listen to the opinions and requests of minority shareholders.

3. If the Company is unable to determine the profit distribution plan in the current year according to the established cash dividend policies or the minimum cash dividend ratio due to special circumstances, the Board shall disclose specific reasons and the definite opinions of the independent non-executive directors.

4. Necessary adjustments or amendments to the cash dividend policy stipulated in the Articles of Association of the Company shall only be made after detailed discussion and the corresponding decision-making procedure according to the Articles of Association of the Company and approval shall be obtained by above two-thirds of voting rights held by the shareholders attending the general meeting.

(VII) Modification mechanism of the Company's profit distribution policy

If the Company should adjust the profit distribution policy due to changes in the external environment or its own operations, investment planning and long-term development, the Company can make adjustments on the profit distribution policy. The Company should adjust the profit distribution policy on the basis of protecting the shareholders' interests and the Company's interests as a whole and taking full consideration the opinions of shareholders, particularly, minority shareholders and independent non-executive directors. The Board will formulate a new profit distribution policy after making research and demonstration, which will be submitted to the general meeting for consideration and approval. When voting at a general meeting of shareholders, internet voting shall be arranged, and the independent non-executive directors may solicit from the shareholders of the Company's public shares their voting rights at the general meeting of shareholders prior to the general meeting of shareholders.

Article 170 The Company shall appoint receiving agents on behalf of the holders of the H Shares to receive and hold the dividends declared and all other monies owing by the Company in respect of such shares of the overseas listed foreign shares on behalf of the shareholders of the overseas listed foreign shares, pending payment to the shareholders of the overseas listed foreign shares.

The receiving agents appointed by the Company shall meet the requirements of the laws or the relevant provisions of the stock exchanges in the place where the Company is listed. The receiving agents appointed on behalf of holders of the H Shares listed in the Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

## Section 2 Internal Audit

Article 171 The Company shall implement an internal audit system, specifying the leadership structure, functions and powers, staffing, funding guarantees, application of audit results, and accountability for internal audit work.

The Company's internal audit system shall be implemented upon approval by the board of directors and disclosed to the public.

Article 172 The internal audit institution of the Company shall supervise and inspect matters such as the Company's business activities, risk management, internal control, and financial information.

The internal audit institution shall maintain independence, be staffed with full-time auditors, and shall not be placed under the leadership of the financial department or share office space with the financial department.

Article 173 The internal audit institution shall be responsible to the board of directors.

In the course of supervising and inspecting the Company's business activities, risk management, internal control, and financial information, the internal audit institution shall accept the supervision and guidance of the audit committee. If the internal audit institution discovers relevant major issues or clues, it shall immediately report directly to the audit committee.

Article 174 The internal audit institution shall be responsible for the specific organization and implementation of the Company's internal control evaluation. The Company shall issue an annual internal control evaluation report based on the evaluation report issued by the internal audit institution and deliberated by the audit committee, as well as relevant materials.

Article 175 When the audit committee communicates with external auditing entities such as accounting firms and state audit institutions, the internal audit institution shall actively cooperate and provide necessary support and collaboration.

Article 176 The audit committee shall participate in the assessment of the person in charge of the internal audit institution.

## Section 3 Appointment of Accounting Firm

Article 177 The Company shall engage an accounting firm that complies with the requirements of the Securities Law to audit its financial statements, conduct verification of net assets and other relevant consultation services. The accounting firm shall hold office for one year, commencing from the conclusion of this annual general meeting until the conclusion of the next annual general meeting. The appointment may be renewed.

Article 178 The appointment and dismissal of the accounting firm of the Company shall be subject to the approval of the general meeting, prior to which the Board shall not appoint any accounting firm.

Article 179 The Company guarantees that it will provide the accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information without any objection, omission or falsehood.

Article 180 The auditing fee of the accounting firm shall be determined by the shareholders' general meeting or other organization independent from the board of directors.

30 days' prior notice shall be given to the accounting firm if the Company decides to remove such accounting firm or not to renew the appointment thereof. The accounting firm shall be entitled to make representations when the resolution regarding the removal of the accounting firm is considered at the shareholders' general meeting of the Company.

Where the accounting firm resigns, it shall make clear to the shareholders' general meeting whether there is any impropriety on the part of the Company.

## Chapter 8 Notice and Announcement

### Section 1 Notice

Article 181 A notice of the Company shall be sent by:

(I) hand;

(II) mail;

(III) announcement;

(IV) fax, email, text message, electronic data exchange and other forms of data message that can show the described content visibly;

(V) publication on the website of the Company and the websites designated by the stock exchange under the precondition of conforming to laws, administrative regulations, departmental rules, normative documents, the listing rules of the place where the shares of the Company are listed and the Articles of Association;

(VI) other means agreed by the Company and the recipient of the notice in advance or recognized by the recipient of the notice after receiving such notice;

(VII) other means recognized by regulatory authorities of the place where the shares of the Company are listed or stated in the Articles of Association. Pursuant to the Hong Kong Listing Rules, and subject to the laws and regulations and listing rules of the place where the shares are listed as well as the Articles of Association, corporate communications may be provided or sent to holders of H Shares by making announcement on the websites designated by the Company and/or the websites of the Hong Kong Stock Exchange or by electronic means.

Corporate communications referred to in the preceding article means any document issued or to be issued by the Company for the information or action of the holders of H shares of the Company or other individuals required under the Hong Kong Listing Rules, including but not limited to:

1. the annual report of the Company (including the report of the board of directors, annual financial statements, the auditing report and the financial summary of the Company (if applicable));

2. the interim report and the summary of the interim report of the Company (if applicable);

3. notices of meetings;

4. listing documents;

5. circulars;

6. proxy forms (as defined in the listing rules of the stock exchange(s) on which the shares of the Company are listed).

Where notices are given by way of announcements under authorization conferred by the Articles of Association, such announcements shall be published by means specified in the Hong Kong Listing Rules.

Article 182 Where a notice is served by way of announcement, upon the publication of such announcement, all relevant persons shall be deemed to have received the notice.

Article 183 Notice of shareholders' general meeting of the Company shall be served by announcement.

Article 184 The meeting notice of convening the meeting of the board of directors of the Company shall be served by personal delivery, post, fax, email, text message, electronic data exchange and other forms of data message that can show the described content visibly.

Article 185 If the notice of the Company is served by personal delivery, the recipient shall affix signature (or seal) to the Return on Service and the signing date shall be the date of service; if the notice of the Company is served by post, the fifth day after handover to the post office shall be the date of service. If the notice of the Company is served by fax, electronic data exchange, email, text message and other forms that can show the described content visibly, the sending date shall be the date of service, but a reasonable manner should be taken to confirm whether the recipient has received the notice. If the notice of the Company is served by announcement, the date of first announcement shall be the date of service.

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

Article 187 If the listing rules of the place where the shares of the Company are listed require the Company to send, mail, distribute, issue, publish or provide by other means the relevant documents of the Company in English and Chinese versions, the Company may (according to the intentions expressed by shareholders) send only English text or only Chinese text to relevant shareholders in the range permitted by the applicable laws and regulations and according to applicable laws and regulations, provided that the Company has made appropriate arrangement to determine whether its shareholders hope to receive only English text or only Chinese text.

### Section 2 Announcement

Article 188 The Company shall designate the Securities Times and other newspapers that complies with the requirements of the CSRC to publish the Company's announcements and other information that need to be disclosed, and designate the websites of the Shenzhen Stock Exchange and CNINFO to publish the Company's announcements and other information that need to be disclosed.

Article 189 If it is required to make public announcements to the holders of H Shares pursuant to the Articles of Association, such announcements shall also be published in such manner as required by the Hong Kong Stock Exchange.

Article 190 The board of directors shall have the right to decide to adjust the determined media for information disclosure of the Company, but should ensure that the designated media for information disclosure meets the qualifications and conditions stipulated by domestic and Hong Kong laws and regulations, the securities regulatory authority of the State Council, overseas regulatory authorities and the stock exchange of the place where the shares of the Company are listed.

Article 191 For matters required to be published according to the laws, administrative regulations, rules, the listing rules of the place where the shares of the Company are listed and the Articles of Association, the Company should also send notice by announcement.

## Chapter 9 Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation

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

Article 192 Merger of the Company may take the form of absorption or establishment of a new company.

One company absorbing another company is merger by absorption, and the company being absorbed shall be dissolved. Merger of two or more companies through establishment of a new company is a consolidation, and the companies being consolidated shall be dissolved.

Article 193 Where the consideration paid for the Company's merger does not exceed 10% of the Company's net assets, a shareholders' meeting resolution shall not be required, unless otherwise stipulated by the listing rules of the place where the Company's shares are listed or these Articles of Association.

For a merger of the Company that does not require a shareholders' meeting resolution in accordance with the provisions of the preceding paragraph, a board of directors resolution shall be required.

Article 194 In the event of a merger, the merging parties shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's merger resolution and shall announce in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's merger resolution. The creditors may require the Company to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors haven't received the notice.

Article 195 Upon the merger of the Company, rights in relation to debtors and indebtedness of each of the merged parties shall be assumed by the company which survives the merger or the newly established company.

Article 196 When the Company is divided, its assets shall be split up accordingly.

In the event of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the Company's resolution to divide and shall announce in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's resolution to divide.

Article 197 Debts of the Company prior to division shall be jointly assumed by the companies which exist after the division, except provided otherwise in the written agreement between the Company and the creditors relating to the settlement of debt before the division.

Article 198 Where the Company is required to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.

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

When the Company reduces its registered capital, the capital contributions or shares shall be reduced proportionally in accordance with the proportion of shares held by the shareholders, unless otherwise stipulated by laws or these Articles of Association.

Article 199 After the Company makes up for losses in accordance with the provisions of Article 166 of these Articles of Association, if there are still losses remaining, it may reduce its registered capital to make up for such losses. Where losses are made up by reducing registered capital, the Company shall not make distributions to shareholders, nor shall it exempt shareholders from their obligations to pay capital contributions or share proceeds.

The reduction of registered capital in accordance with the provisions of the preceding paragraph shall not be subject to the provisions of the second paragraph of Article 198 of these Articles of Association; however, an announcement shall be made in at least one newspaper designated by the CSRC or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the shareholders' meeting adopts the resolution on reducing registered capital.

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

Article 200 If the registered capital is reduced in violation of the Company Law and other relevant provisions, the shareholders shall return the funds they have received, and any reduction of shareholders' capital contributions shall be restored to their original state; if losses are caused to the Company, the shareholders as well as the liable directors and senior management shall bear the liability for compensation.

Article 201 When the Company issues new shares for increasing its registered capital, shareholders shall not have preemptive subscription rights, unless otherwise stipulated by these Articles of Association or decided by a resolution of the shareholders' meeting that shareholders shall have such rights.

Article 202 Changes in particulars of the companies as a result of merger or division must be registered with the registration authorities in accordance with the laws. Cancellation of a company shall be registered in accordance with the laws when a company is dissolved. Incorporation of a company shall be registered when a new company is incorporated in accordance with the laws.

When increasing or reducing the registered capital, the Company shall register the changes with company registration authorities in accordance with the laws.

## Section 2 Dissolution and Liquidation

Article 203 The Company shall be dissolved and liquidated in accordance with the laws upon the occurrence of the following events:

(I) the term of its operations set out in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;

(II) a resolution on dissolution of the shareholders' general meeting;

(III) dissolution is necessary due to the merger or division;

(IV) the Company's business license is revoked or the Company is ordered to close down or de-registered;

(V) where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing more than 10% of the voting rights of the Company may request the People's Court to dissolve the Company.

When the Company encounters the dissolution causes as stipulated in the preceding paragraph, it shall publicly announce the dissolution causes through the National Enterprise Credit Information Publicity System within ten days.

Article 204 Upon the occurrence of the situation described in item (I) and (II) of Article 203 hereof and has not yet distributed assets to shareholders, the Company may continue to exist by amending the Articles of Association or adopting a resolution at a shareholders' general meeting.

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

Article 205 Where the Company is dissolved in accordance with items (I), (II), (IV) and (V) of Article 203 hereof, it shall undergo liquidation. The directors shall be the liquidation obligors of the Company and shall form a liquidation team to conduct liquidation within 15 days from the date on which the cause of dissolution arises.

The liquidation team shall be composed of directors, unless otherwise stipulated by these Articles of Association or another person is selected by a resolution of the shareholders' meeting.

If the liquidation obligors fail to perform their liquidation obligations in a timely manner, thereby causing losses to the Company or its creditors, they shall bear the liability for compensation.

Article 206 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) distributing and liquidating the unfinished businesses of the Company;

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

(V) clearing off credits and debts;

(VI) disposing of the residual properties after settling such debt;

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

Article 207 The liquidation team shall, within 10 days of its formation, notify the creditors, and shall, within 60 days, make at least three public announcements on newspapers 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.

Where creditors file their creditors' rights, they shall explain about the matters related to creditors' rights, and shall provide the evidencing materials. The liquidation team shall register the creditors' rights.

The liquidation team may not clear off any of the debts of any creditors during the period of filing creditors' rights.

Article 208 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 shareholders' 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 period of liquidation, the Company continues to exist but may not carry out any business operation that is not for purposes of carrying out liquidation. Before the settlement of repayments as provided in the preceding article has been made, the Company's properties shall not be distributed to shareholders.

Article 209 Should the liquidation team find that the properties of the Company is insufficient for clearing off the debts after liquidating the properties of the Company and preparing the balance sheets and checklists of properties, it shall apply to the People's Court to declare the Company's bankruptcy liquidation pursuant to laws.

After the People's Court accepts the bankruptcy application, the liquidation team shall transfer the liquidation matters to the bankruptcy administrator designated by the People's Court.

Article 210 Following the completion of the liquidation of the Company, the liquidation team shall prepare a liquidation report, such committee shall submit the same to the shareholders' general meeting or the People's Court for confirmation. And the Company shall submit the same to the company registration authority to apply for de-registration of the Company, and to announce that the Company is terminated.

Article 211 The members of the liquidation team shall bear the duties of loyalty and diligence when performing their liquidation functions and responsibilities.

Where any members of the liquidation team are negligent in performing their liquidation duties and causes losses to the Company, he/she shall bear the liability for compensation. Where any members of the liquidation team cause any loss to the Company or any creditor with intention or due to gross negligence, he/she shall be liable to make indemnification.

Article 212 Where the Company is declared bankruptcy in accordance with laws, it shall implement bankruptcy liquidation in accordance with the relevant laws relating to bankruptcy of enterprise.

## Chapter 10 Amendment to Articles of Association

Article 213 The Company may amend the Articles of Association in accordance with the provisions of laws, regulations and the Articles of Association.

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

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

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

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

Article 214 Amendment to the Articles of Association passed by resolutions at the shareholders' general meeting shall be required to be examined and approved by the competent authorities, and shall be submitted to the competent authorities for approval. if it involves matters of company registration, the change shall be registered in accordance with the law.

Article 215 Any amendment to the Articles of Association that involves information to be disclosed as required by the laws and regulations, shall be publicly announced as required.

Article 216 The Board shall amend the Articles of Association according to the resolutions of the shareholders' general meeting and the opinions of the relevant competent authority.

## Chapter 11 Supplementary Articles

Article 217 Definitions

(I) For the purposes of this Articles of Association, a controlling shareholders means a shareholder who holds shares accounting for more than 50% of the total share capital of the joint stock limited company; or a shareholder who, although holding shares accounting for less than 50% of the total share capital, holds shares with voting rights sufficient to exert a significant influence on the resolutions of the shareholders' meeting.

(II) For the purposes of this Articles of Association, de facto controller means a person who is not a shareholder of the Company but can effectively control the Company through investment, agreement or other arrangement.

(III) For the purposes of this Articles of Association, connected relations means relations between a controlling shareholder, de facto controller, director, supervisor or senior management officer of the Company and the enterprise directly or indirectly controlled by the same, which relations may give rise to a transfer of interests of the Company, provided however that there should be no related party relationship between state-controlled enterprises solely because they are under the common control of the State.

(IV) For the purposes of this Articles of Association, People's Courts are State organs that independently exercise judicial power on behalf of the People's Republic of China in accordance with the relevant laws and regulations of the People's Republic of China (excluding Hong Kong, Macao and Taiwan).

Article 218 The Board may formulate by-laws in accordance with the provisions of the Articles of Association, provided that such by-laws shall not be in violation of the Articles of Association.

Article 219 The Articles of Association are written in Chinese. In case of any inconsistency between the Articles of Association and the articles of association in any other language or of different version, the latest Chinese version of the Articles of Association approved by and registered with the administration of market and supervision of Beijing Economic and Technological Development Zone shall prevail.

Article 220 The term "above" and "within", as stated in the Articles of Association shall all include the given figure; the term "exceeding", "except", "lower" or "more" shall all exclude the given figure.

Article 221 The Board shall be responsible for the interpretation of the Articles of Association.

Article 222 Appendixes to the Articles of Association include the rules of procedure for general meetings and the rules of procedure for meetings of the Board.

Article 223 Where the Articles of Association conflicts with the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange in the place where the shares of the Company are listed, the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange in the place where the shares of the Company are listed shall prevail. Any matters unspecified in the Articles of Association shall be executed in accordance with the relevant provisions of the laws, administrative regulations, departmental rules, normative documents and listing rules of stock exchange in the place where the shares of the Company are listed.

Article 224 The Articles of Association shall be implemented after the consideration and approval of the Company's general meeting and becoming effective.

(No text below)